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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91115866
Party	Defendant TREASURE ISLAND CORPORATION ,
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Attachments	Registrants Applicants Opposition to Motion for Summary Judgment.pdf (217 pages)

UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

Prairie Island Indian Community,
a federally recognized Indian tribe,

Plaintiff,

vs.

Treasure Island Corp.,

Defendant.

Opposition Nos. 91115866 and
91157981

Cancellation Nos. 92028126
92028127; 92028130; 92028133;
92028145; 92028155; 92028171;
92029174; 92028199; 92028248;
92028280; 92028294; 92028314;
92028319; 92029325; 92028342;
and 92028379 (as consolidated)

TRADEMARK TRIAL AND APPEAL BOARD
COMMISSIONER FOR TRADEMARKS
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**REGISTRANT/APPLICANT'S OPPOSITION TO PETITIONER/OPPOSER'S
MOTION FOR SUMMARY JUDGMENT**

Registrant/Applicant, TREASURE ISLAND CORP. ("TIC"), by and through the undersigned counsel of record, QUIRK & TRATOS, hereby files this Opposition to Petitioner/Opposer's Motion for Summary Judgment. This Opposition is based upon the points and authorities as identified below.

I. INTRODUCTION

Prairie Island Indian Community's ("Prairie Island") Motion for Summary Judgment ("Motion"), is based on a misleadingly incomplete statement of the relevant facts. Prairie Island casually claims priority yet offers no evidentiary support for this contention. TIC on the other hand, believes it has priority and herein offers legal and evidentiary support for its contention that it, and not Prairie Island, is the senior user of the mark TREASURE ISLAND. As such, there exists a dispute of material fact between the parties as to which party is the senior user of the TREASURE ISLAND mark.

Additionally, Prairie Island bases its motion for summary judgment on the similarity

of its Minnesota State registered mark for TREASURE ISLAND and TIC's federal registration for TREASURE ISLAND AT THE MIRAGE. TIC believes that Prairie Island's state registration has little value, if any, and any rights the opposer may have obtained are preempted by federal trademark law. As such, TIC's federal registration for TREASURE ISLAND AT THE MIRAGE has greater evidentiary weight than Prairie Island's state registration for TREASURE ISLAND. There is, therefore, a dispute of material fact as to whether Prairie Island's state registration affords it superior rights to enforce against TIC's federally registered mark.

Prairie Island further claims harm because of actual confusion between its mark and that of TIC. However, TIC maintains that if any confusion exists between use of its federally registered mark TREASURE ISLAND AT THE MIRAGE and Prairie Island's state registration for TREASURE ISLAND, such confusion was initiated by the intentional acts of Prairie Island in drawing closer to the more famous mark owned by TIC. Any alleged confusion is caused by Prairie Island's actions which were intended to ride the coat tails of TIC's extensive national marketing and promotional campaign.

There exists a dispute of material fact as to whether the alleged confusion, if any, was due to similarity between the marks or was in fact induced by Prairie Island's own conduct. As there are genuine issues of material facts in dispute between the parties, Prairie Island's Motion for Summary Judgment should be denied.

II. STATEMENT OF FACTS

In April 1988, GNLV Corp, the predecessor-in-interest to TIC, adopted the TREASURE ISLAND mark and began the process of developing gaming devices to provide gaming services using the TREASURE ISLAND mark. The testing of these devices began in 1988 as is evidenced by the IGT Testing Report. See Affidavit of Mark Russell ("Russell Aff."), Exhibit A, attached hereto.

In June 1989, GNLV Corp. began public use in commerce of its TREASURE ISLAND mark for casino-gaming services by installing and operating TREASURE ISLAND

slot machines at its Golden Nugget Las Vegas hotel and casino thereby developing common law rights in the mark. See Date of First Use, Nevada State Registration (“NV Reg.”) attached hereto as Exhibit 1.

On July 1989, GNLV Corp. obtained a Nevada State registration for the mark TREASURE ISLAND in entertainment services class 107. The casino services offered under the mark included slot merchandizing. See id. This was the only category of services available from the Nevada Secretary of State at the time. See Russell Aff. ¶ 3.

In 1989, GNLV Corp. was a subsidiary of Golden Nugget, Incorporated which changed its name to Mirage Resorts, Incorporated (“Mirage Resorts”) in 1991. Mirage Resorts’ flagship hotel the “Mirage” which opened in 1989 became one of the most famous resort hotel casinos in the world. See Russell Aff. ¶¶ 9, 10, 11. In fact, the Mirage name was deemed “clearly famous” by the federal court in Mirage Resorts, Inc. et al. v. Stirpe, 152 F.Supp.2d 1208, 1217 (D. Nev. 2000). The TREASURE ISLAND mark was used for casino-related services such as slot promotions and in retail services by the Mirage and the Golden Nugget. See Deposition of Mark Russell (“Russell Depo.”), Vol. II, p 91 attached hereto as Exhibit 2.

In January 1990 Prairie Island changed its name from Prairie Island Bingo and began using various marks such as TREASURE ISLAND BINGO, TREASURE ISLAND BINGO & CASINO, and TREASURE ISLAND CASINO BINGO in relation to its property in Red Wing, Minnesota. See Copies of Prairie Island’s Use of Mark Materials, attached hereto as Exhibit 3.

In 1991, Mirage Resorts created a new subsidiary Treasure Island Corp. to develop construct and operate a resort hotel casino to be called “Treasure Island at the Mirage.” The designation “at the Mirage” was intended to emphasize Treasure Island’s affiliation with its famous sister property the Mirage. See Russell Aff. ¶¶ 13, 14.

In October 1991, Steve Wynn, then Chairman of Mirage Resorts, Incorporated publicly announced plans to build Mirage’s sister hotel “Treasure Island at the Mirage” and

that the hotel would have a "pirate" theme. This announcement was covered by most of the national media including Forbes Magazine, The Los Angeles Times, The Associated Press, the Chicago Tribune, The New York Times, PR Newswire, United Press International, Business Wire, The Washington Post, Seattle Post-Intelligencer, Associated Press Worldstream, Las Vegas Business Press, The Vancouver Sun (British Columbia), Fortune Magazine, Chicago Sun-Times, and The Seattle Times.¹

On July 22, 1992, Prairie Island obtained a Minnesota State registration for the word mark TREASURE ISLAND for casino and related gaming services. See Motion at I.²

At least as early as October 1992, TIC began use of its TREASURE ISLAND mark in the promotion and advertising of its future resort. See Date of First Use for Federal Registration No. 1,918,033 attached hereto as Exhibit 4. In October 1993, the almost 3,000 room Treasure Island at the Mirage resort hotel casino opened in Las Vegas, Nevada.³ See Russell Aff. ¶ 15.

TIC applied for and received federal registrations for goods and services offered at its resort hotel casino including TREASURE ISLAND AT THE MIRAGE Registration No. 2,010,396 for casino services and TREASURE ISLAND AT THE MIRAGE Registration No. 1,984,421 for hotel services. See USPTO Printouts of Registrations attached hereto as Exhibit 5.

In October 1994, GNLV Corp. assigned all rights, interest and good will in its Nevada State registration for the mark TREASURE ISLAND to TIC. TIC thereby acquired all rights in the TREASURE ISLAND mark dating back to at least June 1989. See

¹ See Exhibit A attached to the Affidavit of Rondi L. Rowland. Ms. Rowland attests to the authenticity of printed materials attached hereto and to copies of electronic advertising regarding "The Mirage" which will be attached as Exhibit 20 and sent via regular mail.

² There is no factual evidence to support any claim that prior to obtaining its state registration Prairie Island ever used the word mark TREASURE ISLAND by itself.

³ Treasure Island at the Mirage opened in 1993 with 2,500 rooms and 220 suites. Treasure Island at the Mirage also has the world famous Cirque du Soleil as its resident entertainment. See TIC's website at <treasureisland.com>.

Assignment from GNLV Corp. to TIC ("Assignment") attached hereto as Exhibit 6.

On December 20, 1996 Prairie Island opened a 250 room hotel adjacent to its casino in Red Wing, Minnesota. See May 1997 Article from Indian Gaming attached hereto as Exhibit 7. This was more than three years after TIC opened its resort hotel casino and three years after TIC had filed for its federal registrations.

In October 1998, five years after TIC opened its resort hotel casino, Prairie Island instituted a cancellation proceeding against TIC's federally registered mark TREASURE ISLAND AT THE MIRAGE, Registration No., 2,010,396. Prairie Island contends that its common law use as of January 1, 1990 and its Minnesota State registration filed on July 22, 1992 for the TREASURE ISLAND mark gives it priority over TIC's TREASURE ISLAND AT THE MIRAGE mark.

III. STANDARD FOR SUMMARY JUDGMENT

The Trademark Trial and Appeal Board ("TTAB") follows the same standards for summary judgment as the federal courts. See Spraying Systems Co. v. Delavin, Inc., 975 F.2d 387, 392 (7th Cir. 1992). "[T]he party moving for summary judgment, bears the initial burden of demonstrating the absence of any genuine issue of material fact and that it is entitled to judgment as a matter of law." See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc., 60 U.S.P.Q.2d 1733, 1735 (TTAB 2001). "If opposer meets this burden, then applicant, to avoid entry of an adverse judgment, must present sufficient evidence to show an evidentiary conflict as to one or more material facts in issue." See id. For the purpose of determining the merits of each party's claim relevant to a motion for summary judgment "the evidence must be viewed in a light most favorable to . . . the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. See id.

If a party brings a motion for summary judgment based upon prior use it "must establish that there is no genuine dispute as to (1) its priority of use and (2) that contemporaneous use of the [marks] by the parties, for their respective services, would be likely to cause confusion, mistake or to deceive consumers." See id.

Prairie Island as the movant has the burden of establishing that there is no genuine issue of material fact as to (1) its priority of use and (2) that contemporaneous use of the marks are likely to cause confusion. See id. Prairie Island claims priority for its TREASURE ISLAND mark based upon a July, 1992 Minnesota State registration and a date of first use of January 1, 1990. However, TIC bases its assertion of priority for its TREASURE ISLAND mark based upon a June 1988 common law use and a July 1989 Nevada State registration. Moreover, planning for the use on gaming machines and for casino services dates back into 1988. TIC's earlier use and Nevada State registration and use establishes a genuine issue as to which entity has priority of use for the TREASURE ISLAND mark.

"The non-moving party is required to introduce evidence beyond the mere pleadings to show that there is an issue of material fact concerning 'an element essential to that party's case, and on which that party will bear the burden of proof at trial.'" See Nordco A.S. v. Ledes, 44 U.S.P.Q.2d 1120, 1122 (S.D.N.Y. 1997). TIC herein offers evidence showing it, and its predecessor-in-interest has used the TREASURE ISLAND mark since at least June 1989. This is prior to Prairie Island's claimed first use of January 1990. There is, therefore, an issue of material fact concerning "an element essential to that party's case," specifically whether TIC or Prairie Island has priority of use of the TREASURE ISLAND mark.

Prairie Island has the burden to establish that contemporaneous use of the respective marks by the parties is likely to cause confusion, mistake or to deceive consumers. See Hornblower & Weeks, Inc. v. Hornblower & Weeks, Inc., 60 U.S.P.Q.2d at 1735. For years the marks existed in the respective markets without any instances of confusion. Only after the petitioner built a hotel and changed its marketing and promotion did alleged instances of confusion occur. As the junior user of the mark, the alleged confusion, if any, is caused by actions taken by Prairie Island subsequent to TIC's June 1989 first use of its mark. Prairie Island's intentional actions drew it closer to the older and

more famous mark of TIC thereby creating any confusion.

"Summary judgment will not lie if the dispute about a material fact is 'genuine,' that is, if the evidence is such that a reasonable jury could return a verdict for the non-moving party." See Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 242-43 (1986). In this case, the dispute about material facts, specifically priority and perceived confusion, is genuine because the evidence is such that a reasonably jury could find for TIC.

Based upon the foregoing, Prairie Island is not entitled to succeed on its motion for summary judgment.

IV. LEGAL ARGUMENT – FACTS IN DISPUTE

TIC is required to introduce evidence beyond the mere pleadings to show that there is an issue of material fact concerning "an element essential to that party's case, and on which that party will bear the burden of proof at trial." See Nordco A.S. v. Ledes, 44 U.S.P.Q.2d at 1122. TIC offers evidentiary support for its contentions that issues of material fact exist concerning priority of use of the TREASURE ISLAND mark, the validity of Prairie Island's Minnesota State registration, and that any alleged confusion is caused by Prairie Island's own conduct.

A. TIC Was the First to Adopt Use of the TREASURE ISLAND Mark For Casino-Related Services

Prairie Island claims priority without offering factual evidence or legal authority in support of this contention. "Opposer must establish its own prior proprietary rights in the same or a confusingly similar designation in order to defeat the application. See T.A.B. Systems v. PacTel Teletrac, 37 U.S.P.Q.2d 1879 (Fed. Cir. 1996). Prairie Island has failed to establish its own proprietary rights because neither its state registration, nor its alleged date of first use at common law are prior to the date of first use or the state registration of the mark TREASURE ISLAND owned by TIC.

(1) Common Law Use of the TREASURE ISLAND Mark by TIC's Predecessor-In-Interest

"One of the bedrock principles of trademark law is that trademark or "service mark

ownership is not acquired by federal or state registration. Rather, ownership rights flow only from prior appropriation and actual use in the market.” See Allard Enterprises, Inc. v. Advanced Programming Resources, Inc., 46 U.S.P.Q.2d 1865, 1870 (6th Cir. 1998). Use in commerce must be legally sufficient to establish prior ownership such as “on services when it is displayed in the sale or advertising of services and the services are rendered in commerce. See id. TIC has established common law rights through use of the TREASURE ISLAND mark in the sale and advertising of its casino-related services since at least 1989 when the mark was used for newly developed slot machines that were advertised and promoted for gaming play. See 1988-89 Belly Glass and Billboard Documents (“Belly Glass Documents”), attached hereto as Exhibit 8.

TIC predecessor-in-interest, GNLV Corp. first began planning for the development of TREASURE ISLAND slot machines in early 1988. The slot gaming services were dependent upon the creation of slot machines that had the TREASURE ISLAND name and an advertising campaign to promote the casino play of those machines. See Russell Aff. ¶¶ 6, 7. See also Affidavit of Tom Mikulich (“Mikulich Aff.”), ¶¶ 8, 9, attached hereto. The campaign to get patrons to come play the slot machines (casino gaming) was dependent upon having the slot machines developed and advertised. Slot development started in 1988 with actual testing of the machines occurring in June 1988.⁴ See Russell Aff. ¶ 5.

In June of 1989, the Golden Nugget casino and the Mirage began use of the TREASURE ISLAND slot machines in public. The TREASURE ISLAND mark was displayed on the belly glass of the slot machines and in signage around and above the machines. See Mikulich Aff. ¶ 4. The same machines were used for TREASURE ISLAND slot promotions which were advertised within the casinos and on billboards throughout Las

⁴ Under Nevada Gaming Control Board regulations, the introduction of a new game of chance or gaming device for patrons to play requires advanced testing before final approval of the game. The TREASURE ISLAND slots developed by TIC’s predecessor-in-interest were created and developed during 1988, tested during 1988 and eventually made part of the casino and used by the public for gaming entertainment in 1989. See Russell Aff ¶ 5.

Vegas, Nevada. See Russell Aff. ¶¶ 6, 7. Because members of the public played the TREASURE ISLAND slot machines at both the Golden Nugget casino and at the Mirage commencing in 1989, use in public of the mark for gaming services is established from that time. This use by its predecessor-in-interest is legally sufficient for TIC to establish ownership rights in the TREASURE ISLAND mark for gaming services since 1989.

It is important to note that Prairie Island is maintaining that only the dominant portions of the relevant marks are compared, specifically the terms TREASURE ISLAND. This contention supports TIC's claim of priority based upon its first use in commerce of the mark TREASURE ISLAND in 1989. If, on the other hand, the TTAB recognizes the fame of the MIRAGE mark then TREASURE ISLAND AT THE MIRAGE is not primarily TREASURE ISLAND because MIRAGE is a famous mark for hotel casino services and for that reason a famous mark joining TREASURE ISLAND clearly distinguishes the marks. In fact, "use of a strong, well-known mark as a part of a composite name reduces the likelihood that the remainder of the composite mark will create a commercial impression distinct from that mark." See Four Seasons Hotels Ltd. v. Koury Corp., 21 U.S.P.Q.2d 1847, 1852 (E.D.N.C. 1991).⁵ "[T]he likelihood of confusion between similar marks diminishes when one is associated with [a] strong, well-known mark." See id. The MIRAGE is a famous mark. Using the MIRAGE name in TIC's composite mark diminishes any likelihood of confusion between the marks TREASURE ISLAND AT THE MIRAGE and Petitioner's TREASURE ISLAND mark.

(2) TIC's 1989 Nevada State Registration

TIC's Nevada State registration supports its claim that it has priority based upon use of its TREASURE ISLAND mark in commerce since at least 1989. See NV Reg. TIC claims rights in the Nevada state registration through an assignment of the mark from GNLV Corp. in 1994. See Assignment Exhibit 6.

⁵ Koury's HOLIDAY INN-FOUR SEASONS mark infringed Plaintiff's FOUR SEASONS mark. The HOLIDAY INN portion of Koury's mark was so well-known and so strong it de-emphasized the FOUR SEASONS portion of the mark. As such the FOUR SEASONS portion had not been able to create its own commercial impression in the marketplace.

(a) The Nevada State Registration

TIC has priority because its predecessors used and then registered its TREASURE ISLAND mark for casino services prior to Prairie Island's claimed date of first use of January 1, 1990. See Motion at I. TIC's predecessor-in-interest, GNLV Corp., a Nevada corporation doing business as a hotel casino, filed a Nevada State Registration for TREASURE ISLAND on July 3, 1989. The registration was granted on July 6, 1989 for casino related services, namely slot merchandizing.⁶ See NV Reg.

GNLV Corp. placed the mark into the only available State of Nevada service category that best described the services it was providing to its patrons. See Russell Aff. ¶ 3. GNLV Corp. intended use of, and did in fact use, the TREASURE ISLAND mark at the Golden Nugget hotel and casino and later at the Mirage hotel and casino in Las Vegas in relation to slot promotions, slot play and tangential retail use. See Russell Aff. ¶ 6. See also Russell Depo. Vol. II, p. 91.

Mirage Resorts, Incorporated is the parent company for several subsidiaries including Treasure Island Corp. which was created in 1991 as the management company for the then future resort hotel casino Treasure Island at the Mirage. See Russell Aff. ¶ 13.

It is important to note that Prairie Island was fully aware of the Nevada TREASURE ISLAND mark as early as April 1992 if not before. In fact, at that time in 1992 counsel for Prairie Island acknowledged that there was a Nevada State registration for a TREASURE ISLAND mark and the Nevada mark had prior use. See Letter from Merchant & Gould to Ronald Valentine of Prairie Island dated April 15, 1992, p. 2, attached hereto as Exhibit 9.

(b) Assignment of TREASURE ISLAND Mark to TIC

TIC owns all rights to the TREASURE ISLAND mark dating from at least 1989 through the present day through a valid assignment. "Because a trademark is symbolic, it may be transferred or assigned only to represent the transfer of goodwill connected with a particular business . . . and cannot be transferred separately from the goodwill of the

⁶ Slot merchandizing is the advertising and promotion of casino play on slot machines which are gaming devices. See Russell Aff. ¶¶ 5, 6.

business.” Following “a proper assignment, the assignee steps into the shoes of the assignor.” See Premier Dental Products Co. v. Darby Dental Supply Co., Inc., 230 U.S.P.Q. 233, 235 (3rd Cir. 1986). “Unlike patents or copyrights, trademarks are not separate property rights. They are integral and inseparable elements of the goodwill of the business or services to which they pertain.” “Since goodwill is inseparable from the business with which it is associated, when one speaks of the transfer of goodwill that accompanies a mark, one necessarily means the transfer of the portion of business or service with which the mark is associated.” See VISA U.S.A., Inc. v. Birmingham Trust National Bank, 216 U.S.P.Q. 649, 651 (Fed. Cir. 1982).

The transfer of good will “requires only that the services be sufficiently similar to prevent consumers of the service offered under the mark from being ‘mislead from established associations with the mark.’” “Where, as here, the basic service offered by the assignor is offered by the assignee, albeit in a significantly expanded way, there is no reason to presume that consumers will not be properly protected.” See id. at 653.

GNLV Corp. assigned its TREASURE ISLAND Nevada State trademark to TIC on October 1, 1994. See Assignment Exhibit 6. The express language of the Assignment evidences the rights transferred included “all right, title and interest, together with the good will of the business in which the mark is used.” See id. The assignment was sufficient to transfer all rights in the TREASURE ISLAND mark from GNLV Corp. to TIC. TIC, therefore, stepped into the shoes of GNLV Corp.

The services for which the TREASURE ISLAND mark is now used by TIC have expanded significantly from the initial casino services of slot merchandizing. However, the basic services offered under the mark are still casino-related and there is no reason to presume that consumers are not properly protected by allowing TIC rights in its expanded services. See VISA U.S.A., Inc. v. Birmingham Trust National Bank, 216 U.S.P.Q. at 653.

Even adding descriptive terms to the original mark does not change its character, particularly where “customers throughout that period always knew the institution by the

nickname of or using the service mark.” See American Security Bank v. American Security and Trust Co., 197 U.S.P.Q. 65, 67 (CCPA 1978).⁷ TIC’s addition of “at the Mirage” was an accurate descriptor of the relationship between its property and the adjacent resort hotel casino the “Mirage.” It is offered to show the affiliation with its hotel casino property and the more famous older sister resort. This addition does not change the nature of the TREASURE ISLAND mark first used in 1989, and known to consumers since that time, but now also used as TREASURE ISLAND AT THE MIRAGE.

(3) Prairie Island’s Minnesota State Registration is Not Probative of Exclusive Rights

Prairie Island bases its opposition to TIC’s federal registration exclusively on its Minnesota State Registration for the word mark TREASURE ISLAND. See Motion at I. However, authority suggests that this state registration alone is not sufficient to establish exclusive rights in the TREASURE ISLAND mark.

“The true effect of respondent’s registration of its trade name and sign design was not to vest it instantaneously with a right to ‘exclusive use’ but rather to establish for respondent the basis for invoking common law trademark name protection principles which are predicated upon a trade name as against the subsequent use of another.” See Abner’s Beef House Corp. v. Abner’s International, Inc., 164 U.S.P.Q. 157, 158 (Fla. 1969).

“A mere paper application for registration of a service mark which is not in fact coupled with and supported by actual usage of the mark sufficient to vest in registrant’s use a secondary meaning, will not defeat a similar use by a competitor where the latter has actually established and placed in operation businesses identified by such mark.” See id. at 160.

TIC contends that Prairie Island’s state registration is a “mere paper application.” Unlike TIC’s Nevada registration which as shown above is supported by sufficient common

⁷ Adding the descriptive term BANK after using the terms AMERICAN SECURITY alone for many years does not change the character of the mark.

law usage to establish meaningful rights in the mark, Prairie Island has failed to offer evidence of actual usage sufficient to establish rights under its Minnesota State registration. It is, therefore, entitled to no presumption of exclusive rights or statewide preemptive rights.

(a) No Presumption of Exclusive Rights in a State Registration

Prairie Island is not entitled to a presumption that its state registration affords it exclusive rights. In Minnesota, “the mere physical registration of a trademark does not confer any greater rights than those which existed at common law without registration.” Venn dba Swanson Cookie Co., v. Goedert, 134 U.S.P.Q. 442, 445 (D. Minn. 1962) citing, Griesedieck Western Brewery Co. v. Peoples Brewing Co., 149 F.2d 1019 (8th Cir. 1945).

“The state registration adds nothing of substance to applicant’s case because it has not been made to appear that the State . . . examines every application for registration on the merits and utilizes criteria similar to those encompassed in the federal trademark statute. The affidavit of continuous, substantial and exclusive use of the mark by itself carries little probative value.” See In re Illinois Bronze Powder & Paint Co., 188 U.S.P.Q. 459, 463 (TTAB 1975).

Prairie Island advances its Minnesota state registration as evidence of its rights in the mark TREASURE ISLAND. However, it has offered no evidence of the criteria used by the Minnesota Secretary of State to assess the merits of its registration. Therefore the registration carries “little probative value.” See In re Illinois Bronze Powder & Paint Co., 188 U.S.P.Q. at 463. Further, its Minnesota state registration by itself is incompetent to establish actual use of the mark. Prairie Island must show something more than a state registration certificate to establish exclusive rights in the TREASURE ISLAND mark.

Prairie Island fails to show something more beyond its state registration to establish exclusive rights in the TREASURE ISLAND mark. It casually claims priority in the mark based upon a Minnesota state registration but offers no factual or evidentiary support showing it is entitled to exclude others from use of the mark.

(b) No Presumption of Entitlement to Statewide Preemptive Rights

Even if Prairie Island's Minnesota State Registration entitles Prairie Island to some rights, it may not be entitled to statewide preemptive rights. A State Supreme Court determines the geographic scope of state trademarks within state. See Spartan Food Systems, Inc. v. HFS Corp., 2 U.S.P.Q.2d 1063 (4th Cir. 1987). In fact, the "majority of states do not permit state registration preemptive rights over entire state. See id. citing J. Thomas McCarthy, Trademarks and Unfair Competition, §22:1. State registration prevents federal registration from operating in an area where state registration has senior rights. However, it cannot extend beyond its area of use determined not by the extent of its advertising, but the extent of the geographic region from where its consumers come from. "The mark . . . cannot travel to markets where there is no article to wear the badge and no trader to offer the article." See id. at 1065. Demonstrating significant advertising throughout the state does not show the effect of such advertising. No evidence presented establishes that the entity's advertising brought customers from throughout the entire state. See id. at 1066.

Prairie Island may not be entitled to rights extending throughout Minnesota, let alone into other areas of the United States. Its rights are geographically limited by other users of similar marks in Minnesota, or in the immediate geographical area. For example, The Treasure Island Resort at Wisconsin Dells, Wisconsin is approximately 170 miles and a three hour drive from Prairie Island's hotel casino. See Treasure Island at Mount Olympus web information attached hereto as Exhibit 10. This Wisconsin Treasure Island may limit Prairie Island's rights to within a 170 mile radius or less.⁸

Additionally, Prairie Island's rights may be limited to only those areas from where its customers come and it has presented no evidence that its customers come from throughout the entire state. Moreover, because gaming is not legal outside of an Indian

⁸ Other third party users of similar TREASURE ISLAND marks include hotels in the City of Treasure Island, Florida and entities in New Jersey and Maine. See Deposition of Lori Knapp ("Knapp Depo.") pp. 126-27 attached hereto as Exhibit 11.

reservation in Minnesota, Prairie Island cannot offer gaming services anywhere in Minnesota except at the Prairie Island Indian Community's location.

By offering the registration as evidence of its rights in the TREASURE ISLAND mark, it is Prairie Island's burden to prove what rights, if any, the Supreme Court of Minnesota has conferred on that state registration. Prairie Island has failed to offer any evidence as to the scope of its rights under a Minnesota State registration. Therefore, Prairie Island's state registration is of little probative value as to the scope of rights it affords.

(4) TIC's Federal Rights Preempt Prairie Island's State Rights

Even if Prairie Island's state registration was entitled to state-wide rights, it is not superior to TIC's rights under the Lanham Act. "Federal registration fulfills the express purpose of Congress in regulating commerce within its control, 'to protect registered marks used in such commerce from interference by State, or territorial legislation.'" See Spartan Food Systems, Inc. v. HFS Corp., 2 U.S.P.Q.2d at 1066 (discussing § 45 Lanham Act, 15 U.S.C. §1127). "If a conflict arises between state and federal law, including state registration statutes, the Lanham Act effects a limited preemption of state law, resolving the conflict in favor of the registrant's rights. See id. Even when a federal registration is not yet incontestable it preempts a state registration except in the geographic location occupied by a senior user of a state mark. See id. at 1066-67.

Even if, as Prairie Island claims, it is entitled to some state or common law trademark rights under its Minnesota State registration, those rights would be subservient to TIC's federal registration. At the very most, and only if Prairie Island was determined to be the senior user of the TREASURE ISLAND mark, could it exclude TIC's use of its mark within Minnesota.

TIC has established that it owns all rights in its TREASURE ISLAND mark developed in 1988 and dating back to at least June 1989. These rights predate the rights, if any, obtained by Prairie Island in January 1990. TIC, therefore has established priority.

As such, there exists a genuine issue of material fact as to whether it is Prairie Island or TIC who has priority and a reasonable trier of fact should find in TIC's favor. Therefore, Prairie Island's Motion for Summary Judgment should be denied

B. Prairie Island is the Cause of Confusion, If any, Between the Marks

Because of its deliberate acts, Prairie Island argues consumer confusion between its mark and that of TIC based upon the Du Pont factors.⁹ See Motion at II (B). However, it is important to note that Prairie Island's alleged instances of confusion commenced almost four years after TIC's resort hotel and casino opened.¹⁰ See Call Tracking Summary attached to Motion as Exhibit K. TIC contends that the alleged confusion only began after Prairie Island took affirmative steps to infer affiliation between its property and that of TIC.

Where a plaintiff "has in effect engineered the possibility of a likelihood of confusion and therefore infringement," this is not the sort of injury trademark infringements actions under the Lanham Act were intended to remedy. See Weil Ceramics and Glass, Inc. v. Dash, 878 F.2d 659, 676 (3rd Cir. 1989). "[I]f it is the plaintiff's actions that cause the confusion, the plaintiff will not be heard to complain." See Versa Products Co., Inc. v.

⁹ Prairie Island fails to address all of these factors in its Motion for Summary Judgment. The *Du Pont* factors are (1) the similarity or dissimilarity of the marks; (2) the similarity or dissimilarity of the goods or services; (3) the similarity or dissimilarity of the channels of trade; (4) the sophistication of the purchaser; (5) the fame of the prior mark; (6) the number and nature of similar marks on similar goods; (7) the nature and extent of any actual confusion; (8) the length of time of concurrent use without evidence of confusion; (9) the variety of goods on which the mark is used; (10) the market interface between applicant and owner of prior mark; (11) the extent to which the applicant has the right to exclude others from the marketplace; (12) the extent of potential confusion; (13) other facts probative of the effect of use. In re E.I. Du Pont de Nemours & Co., 476 F.2d 1357, 177 U.S.P.Q. 563 (CCPA 1973).

¹⁰ Significant differences exist between use of the marks which explains the lack of confusion in the marketplace for so long: The City of Las Vegas is distinctively different from an Indian reservation in Minnesota; Las Vegas is home to numerous resort hotel casinos and Prairie Island is a stand alone casino on the Indian reservation; TIC has 2,500 rooms and 220 suites, Prairie Island's hotel which opened 3 years after TIC's offers 250 rooms. TIC's services include a wedding chapel, the world famous multi-million dollar Cirque Du Soleil extravaganza, and TIC has a sinking pirate ship in a lagoon, Prairie Island offers nothing in comparison; the services under the respective marks appeal to different consumer groups, Prairie Island's patrons are generally within driving distance of the property, TIC's patrons travel world-wide to visit the resort hotel casino; TIC is affiliated with the world-renowned Mirage property, Prairie Island is a lone entity with no affiliation with any nationally or internationally recognized hotel-casino company; TIC is a AAA Four-Diamond Award Winning resort hotel casino, there is no evidence that Prairie Island has won awards for its hotel casino. See TIC's website at <treasureisland.com>.

Bifold Co. (Manu.) Ltd., 50 F.3d 189, 216 (3rd Cir. 1995).

As the subsequent and, therefore, junior user of the TREASURE ISLAND mark, it is Prairie Island's own conduct that caused confusion, if any, in the marketplace. Prairie Island intentionally held promotional campaigns to infer affiliation between its property and TIC's property in Las Vegas by sending its patrons to stay at the Treasure Island at the Mirage. Further it dropped geographically identifying information it had been using so that consumers would not discover it was an Indian casino in Minnesota rather than a Las Vegas casino. Any confusion occurring in the marketplace was engineered by Prairie Island's own conduct.

(1) Prairie Island's Intentional Affiliation with TIC

TIC opened its resort hotel casino in October 1993. See Russell Aff. ¶ 16. Evidence offered by Prairie Island in support of its Motion claims consumer confusion commenced in August 1997, almost four years after TIC opened. See Call Tracking Summary attached to Motion as Exhibit K. Essentially, the Prairie Island and TIC marks had co-existed in the marketplace without confusion for almost four years.

Even prior to opening its latter conceived hotel in December 1996, Prairie Island intended to create in the minds of consumers a belief of affiliation between its property and that of TIC in Las Vegas. The Mirage resort hotel and casino, the sister property and affiliate of TIC had become world-renowned as a world class destination resort. See Russell Aff. ¶¶ 10, 11. Mirage Resorts Incorporated was also, and continues to be, among Forbes list of best managed companies in America. See Press Release attached hereto as 12. By naming its resort hotel casino Treasure Island at the Mirage, TIC intended to identify its connection with its famous sister property. See Russell Aff. ¶ 14.

Prairie Island's hotel opened on December 20, 1996. See Indian Gaming Article Exhibit 7. Prior to the hotel opening, Prairie Island took steps to create an association in the minds of consumers between its developing a 250 room hotel and the 2,720 room hotel, Treasure Island at the Mirage in Las Vegas. In anticipation of the actual opening of

its hotel, Prairie Island ran a promotional campaign to give away free trips to the Treasure Island resort hotel casino in Las Vegas. See Las Vegas Trip Promotion in Island Times dated January/February 1995 ("Las Vegas Trip Promo."), attached hereto as Exhibit 13. If a patron played the slot machines at Prairie Island and won a Golden Quarter, that person was eligible to register for the Las Vegas trip drawing to Treasure Island at the Mirage. See Deposition of Cindy Flemke pp. 264-265, attached hereto as Exhibit 14. The promotion expressly states "to thank you for visiting Treasure Island in Minnesota, we'd like to treat you to Treasure Island in Las Vegas." It is interesting to note that in the promotion, the lettering for TREASURE ISLAND IN MINNESOTA is identical in font, size and coloring to that for TREASURE ISLAND IN LAS VEGAS. See id. Prairie Island intended to infer affiliation between the two properties and to associate itself in the minds of consumers with the internationally famous Mirage Resorts. Prairie Island solicited and paid for its patrons to stay at the Treasure Island resort hotel casino in Las Vegas. Prairie Island cannot now be heard to complain if confusion occurs as a result of this intended affiliation.

(2) Prairie Island Discontinued Use of its Geographic Location Designation

When Prairie Island first opened its hotel in December 1996, it took steps to identify that it was the Treasure Island located in "Red Wing, Minnesota." Its advertising and promotional materials included the location of the hotel as Red Wing, Minnesota. See Prairie Island promotion attached hereto as Exhibit 15. The employees answered the phone using that location description as well. This is sensible as most of the Prairie Island customers drive to the reservation from surrounding states. See Deposition of Michael J. Childs, pp. 37, 67, attached hereto as Exhibit 16. During this initial time period, even following the opening of the hotel, there does not appear to be any instances of confusion. Prairie Island offers no evidence to show otherwise.

The alleged instances of confusion began some time in 1997, after Prairie Island stopped clearly identifying its location to the public as being in Red Wing, Minnesota. In

1997, Don Peterson who was Prairie Island's reservations manager left Prairie Island. After his departure, the reservation staff dropped the "Red Wing, Minnesota" designation from their telephone greeting. See Knapp Depo. pp. 14, 101-03 Exhibit 11. Lori Knapp was one of the persons responsible for the decision to drop "Red Wing, Minnesota" from the greeting. See Knapp Depo. p. 103. She believed the greeting was "cumbersome" "awkward" and "lowered moral." See Knapp Depo. p. 102. Other reservation staff at Prairie Island admitted that they did not answer the telephone using the "Red Wing, Minnesota" designation. See Deposition of Joni Marcks p. 46 attached hereto as Exhibit 17. See also Deposition of Laura Breitbarth p. 52 attached hereto as Exhibit 18. As the telephone operators were no longer required to identify where the hotel and casino was located, the predictable result of this change was potential confusion.

Promotional materials for the Prairie Island property stopped identifying the location as Red Wing, Minnesota. See Promotional Information attached hereto as Exhibit 19. Prairie Island's newly created website at <treasureislandcasino.com> did not identify the property's location. This is supported by Prairie Island's own evidence that some claimed instances of confusion were people obtaining the phone number from its own website and calling expecting to talk with Treasure Island at the Mirage in Las Vegas. See Reservation Desk Information Sheets attached to Motion as Exhibit M. Even after filing this cancellation proceeding in 1998 alleging consumer confusion, Prairie Island has not taken sufficient actions in the marketing of its own property to reduce consumer confusion.

Prairie Island had every opportunity when it built its new hotel to ensure it was clearly distinguishable in the marketplace and that no consumer confusion need occur. The evidence suggests that no confusion occurred for more than four years after TIC opened its Las Vegas property, and only came about, if at all, as a result of the Petitioner's own actions of opening a hotel which it advertised in order to obtain room reservations, then later intentionally dropped the location information from its promotional materials and telephone reservation responses. Prairie Island took steps contrary to making its property

distinguishable in the marketplace. By doing so it drew itself closer to TIC. It cannot now be heard to complain if confusion has occurred.

V. CONCLUSION

Genuine issues of material fact exist as to whether it is Prairie Island or TIC that has priority in use of the TREASURE ISLAND mark. Additionally, Prairie Island's allegations of confusion are clearly the result of its own intentional acts to draw closer to the more famous TIC mark. TIC should be entitled to present evidence on these factual claims at Trial. Therefore, Prairie Island's Motion for Summary Judgment must be denied.

DATED this 15th day of April, 2005.

QUIRK & TRATOS



Mark G. Tratos
R. Richard Costello (Of Counsel).
F. Christopher Austin
3773 Howard Hughes Parkway, 500 North
Las Vegas, Nevada 89109
Counsel for Registrant/Applicant

CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing **REGISTRANT/APPLICANT'S OPPOSITION TO PETITIONER/OPPOSER'S MOTION FOR SUMMARY JUDGMENT** on:

JACOBSON, BUFFALO, SCHOESSLER & MAGNUSON, Ltd.
Henry M. Buffalo, Jr., #236603
Joseph F. Halloran, #224132
Shawn R. Frank, #0309941
246 Iris Park Place
1885 University Avenue West
Saint Paul, MN 55104
Phone: 651.644.4710

Counsel for: Opposer

HAUGEN & NIKOLAI, P.A.
Eric O. Haugen, #189807
121 S. Eighth Street
1130 TCF Tower
Minneapolis, MN 55402
Phone: 612.339.8300
Counsel for: Opposer

by causing a full, true, and correct copy thereof to be sent by the following indicated method or methods, on the date set forth below:

- ☒ by mailing in a sealed, first-class postage-prepaid envelope, addressed to the last-known office address of the attorney, and deposited with the United States Postal Service at Las Vegas, Nevada.
- ☐ by hand delivery.
- ☐ by sending via overnight courier in a sealed envelope.
- ☐ by faxing to the attorney at the fax number that is the last-known fax number.
- ☐ by electronic mail to the last known e-mail address.

DATED: April 15, 2005.


An employee of Quirk & Tratos

UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK TRIAL AND APPEAL BOARD

Prairie Island Indian Community,
a federally recognized Indian tribe,

Plaintiff,

vs.

Treasure Island Corp.,

Defendant.

Opposition Nos. 91115866 and
91157981

Cancellation Nos. 92028126
92028127; 92028130; 92028133;
92028145; 92028155; 92028171;
92029174; 92028199; 92028248;
92028280; 92028294; 92028314;
92028319; 92029325; 92028342;
and 92028379 (as consolidated)

**AFFIDAVIT OF MARK W. RUSSELL IN SUPPORT OF
REGISTRANT/APPLICANT'S OPPOSITION TO MOTION FOR SUMMARY JUDGMENT**

STATE OF NEVADA)
 :
COUNTY OF CLARK)

Mark W. Russell, being first duly sworn, deposes and says he has personal knowledge of, and is competent to testify to, the following facts:

1. I am the Vice President and General Counsel of The Mirage Resort Hotel Casino ("The Mirage"), a wholly owned subsidiary of Mirage Resorts, Incorporated. I have been employed by a subsidiary of Mirage Resorts, Incorporated since June 1986 and The Mirage since May 1998.

2. In 1989, I was the Vice President and General Counsel for GNLV Corp. and in that capacity I signed the application for the Nevada State trademark TREASURE ISLAND on behalf of GNLV Corp.

3. The TREASURE ISLAND mark was entered into Nevada trademark class 107 under Slot machines, which, in 1989, was the most suitable class available for the casino-related services to be offered under the mark.

4. In 1989, GNLV Corp. owned and operated the Golden Nugget Casino in Las Vegas, Nevada.

5. In April 1988, GNLV Corp, the predecessor-in-interest to TIC, adopted the

TREASURE ISLAND mark and began the process of developing gaming devices through slot manufacturer IGT that would use the TREASURE ISLAND mark. The testing of these devices began in 1988 as is evidenced by the IGT Slot Testing Report. See IGT Slot Testing Report, which I have attached hereto as Exhibit A. This report is for the Treasure Island slots that were developed, together with IGT, by Andrew Pascal.

6. The TREASURE ISLAND mark was used by GNLV Corp in its Golden Nugget Casino, and later by its sister resort, the Mirage, in relation to casino services including on slot machine signage, belly glass, billboards, and coin cups for slot tournaments, advertising for slot tournaments and related slot merchandise from 1989 through 1994. See Screen Printout of Treasure Island Slots attached as Exhibit B. See also, 1988-89 Belly Glass and Billboard Documents attached to Opposition to Motion for Summary Judgment ("Opposition"), as Exhibit 9.

7. The slot promotions using the gaming play on TREASURE ISLAND machines was advertised on billboards throughout Las Vegas, Nevada. See TREASURE ISLAND Billboard Contract dated May 23, 1989 attached as Exhibit C.

8. Because members of the public played the TREASURE ISLAND slot machines at both the Golden Nugget and at the Mirage commencing in 1989, use in public of the TREASURE ISLAND mark for casino services is established from that time.

9. In 1989, GNLV Corp. was a wholly owned subsidiary of Golden Nugget, Incorporated which changed its name to Mirage Resorts, Incorporated on May 31, 1991.

10. Mirage Resorts, Incorporated through its wholly owned subsidiary owns and operates "The Mirage" a world-famous destination resort hotel and casino located on the "Strip" in Las Vegas, Nevada.

11. Since before its opening in 1989, The Mirage has continuously used the mark MIRAGE in connection with advertising and promoting its property in the United States and around the world. The MIRAGE name and palm trees logo are among the most recognized and respected names in the gaming industry. In fact, The Mirage name has become

famous in the casino industry. Mirage Resorts, Incorporated and Mirage Resort Hotel Casino have spent hundreds of millions of dollars over the past sixteen years to advertise and promote the MIRAGE marks in print, broadcast media and on the Internet through the Mirage web site, accessible throughout the United States and around the world. Some of the numerous publications that have reported on The Mirage and its parent corporation, Mirage Resorts, are attached as Exhibit D. For example, Forbes Magazine in 1997 reported that Mirage Resorts was selected the second most respected company in America and was selected first among Hotels and Casino Resorts.

12. The Mirage name is famous and has been adjudicated as such in court cases, including Mirage Resorts, Inc. v. Stirpe, 152 F.Supp. 2d 1208, 1217 (D. Nev. 2000).

13. On December 12, 1991 Mirage Resorts, Incorporated created and incorporated a new subsidiary Treasure Island Corp. to manage the then future resort hotel casino Treasure Island at the Mirage, built on The Mirage property.

14. Mirage Resorts, Incorporated intended that the designation "at the Mirage" show Treasure Island's affiliation with its adjacent famous older sister property.

15. Since at least October 7, 1992 the mark TREASURE ISLAND AT THE MIRAGE was used by Treasure Island Corp. in pre-opening promotion of the Treasure Island at the Mirage resort hotel casino. See Federal Trademark Registration No. 1,918,033 attached to Opposition as Exhibit 4.

16. On October 27, 1993, the Treasure Island at the Mirage resort hotel casino opened in Las Vegas, Nevada. Treasure Island at the Mirage 2,500 rooms and 220 suites.

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////

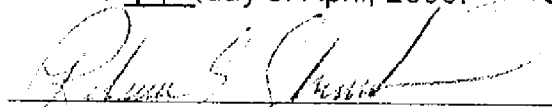
////

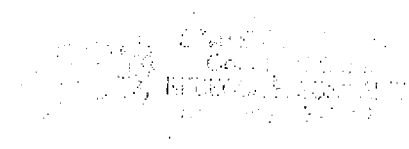
17. On October 1, 1994, GNLV Corp. assigned all rights, title and interest in its Nevada State registration for the mark TREASURE ISLAND to Treasure Island Corp. See Assignment attached to Opposition as Exhibit 7.

DATED: April 14, 2005


Mark W. Russell

SUBSCRIBED and SWORN to before
me this 14th day of April, 2005.


Notary Public



T:\0108.00002\Affidavit of Mark Russell - Opposition to MSJ (7367).DOC

EXHIBIT A

RS: 3089 3R3L

ML PRC: 89.951 HTFG: 42.764 P:H

15:50:03

A-18-88
06-APR-88

Page: 1



#3265

International Game Technology

520 South Rock Blvd.

Reno, Nevada 89502

 Reel Strip Number 3089 HOLD % 10.049 Denomination:
 MODEL # : #31X Paytable: 948101

COIN!	PERCENT!	HIT	TOTAL HITS	TOTAL PAYS	SYM!	NUMBER / REEL		
#	PAY BACK!	FREQ				R1	R2	R3
1	89.340%	14.255%	4671.	29275.	~	17	20	20
2	89.340%	28.510%	9342.	58550.	CH	1	1	1
3	89.951%	42.764%	14013.	88425.	1B	10	7	7
					5B	3	3	3
					DJ	1	1	1

This is a 3 reel, 3 Line 32 stop machine. Reel Combos : 32768.

PAY COMBO	#	PER	REEL	HITS	PULLS/HIT	PAYS	TOTAL PAY
CH XX XX	1	31	31	900.	36.	2.	1800.
XX CH XX	31	1	31	900.	36.	2.	1800.
XX XX CH	31	31	1	900.	36.	2.	1800.
CH CH XX	1	1	31	30.	1092.	5.	150.
CH XX CH	1	31	1	30.	1092.	5.	150.
XX CH CH	31	1	1	30.	1092.	5.	150.
AB AB AB	13	10	10	783.	42.	5.	3915.
CH DJ XX	1	1	31	30.	1092.	10.	300.
DJ CH XX	1	1	31	30.	1092.	10.	300.
CH XX DJ	1	31	1	30.	1092.	10.	300.
DJ XX CH	1	31	1	30.	1092.	10.	300.
XX CH DJ	31	1	1	30.	1092.	10.	300.
XX DJ CH	31	1	1	30.	1092.	10.	300.
AB AB DJ	13	10	1	51.	643.	10.	510.
AB DJ AB	13	1	10	51.	643.	10.	510.
DJ AB AB	1	10	10	42.	780.	10.	420.
1B 1B 1B	10	7	7	490.	67.	10.	4900.
CH CH CH	1	1	1	1.	32768.	20.	20.
1B 1B DJ	10	7	1	70.	468.	20.	1400.
1B DJ 1B	10	1	7	70.	468.	20.	1400.
DJ 1B 1B	1	7	7	49.	669.	20.	980.
CH DJ	1	1	1	-1.	32768.	40.	40.
CH DJ CH	1	1	1	1.	32768.	40.	40.

TIC 03922

PAY COMBO	#	PER	REEL	HITS	PULLS/HIT	PAYS	TOTAL PAY
DJ CH CH	1	1	1	1.	32768.	40.	40.
1B DJ DJ	10	1	1	10.	3277.	40.	400.
DJ 1B DJ	1	7	1	7.	4681.	40.	280.
DJ DJ 1B	1	1	7	7.	4681.	40.	280.
5B 5B 5B	3	3	3	27.	1214.	50.	1350.
CH DJ DJ	1	1	1	1.	32768.	80.	80.
DJ CH DJ	1	1	1	1.	32768.	80.	80.
DJ DJ CH	1	1	1	1.	32768.	80.	80.
5B 5B DJ	3	3	1	9.	3641.	100.	900.
5B DJ 5B	3	1	3	9.	3641.	100.	900.
DJ 5B 5B	1	3	3	9.	3641.	100.	900.
5B DJ DJ	3	1	1	3.	10923.	200.	600.
DJ 5B DJ	1	3	1	3.	10923.	200.	600.
DJ DJ 5B	1	1	3	3.	10923.	200.	600.
DJ DJ DJ	1	1	1	1.	32768.	400.	400.
					Line # 2	400.	
					Line # 3	1000P	

Total hits 4671. Total Coins Paid 29275.

EXHIBIT B

```

1
3 Add Edit Del 1 Find 3 Move 3 ON-line Off-line 3 View 3 Revenue 1 Quit 3
3
3 Number 4434 Basis 0-0 Location BN 04-43-05 Validator N
3
3 Type 3098 1-TRES ISLE Denom QUARTER 0.25
3
3 Theor Hold 10.49 Rec 3381 Group 99
3 Reels 0 Coins 0 Pay Lines 6 : Entry Date 06/07/90 :
3 Cabinet Style : Edit Date 06/29/94 :
3 : Status Off Line :
3 On Line 06/07/90 Off Date 06/29/94
3 Calc Type Standard House % 100.00 Prog % 0.0000
3
3 Valid Fill 250.00 Initial Fill 0.00
3 Prog Link 0 Max Hand Pay 0.00 Prog Max 0.00
3
3 Manufacturer IGT Reels 3R-3C-L-32 Id
3 Serial #
3 0 Point(s) per 0 Coins
3 Max Coins 0 Cur Division 0 BlackBart Id 593
3
3 Please make a menu selection... 3 File Edit Menu

```

```

1
3 Add Edit Del 3 Find 3 Move 3 ON-line Off-line 3 View 3 Revenue 3 Quit 3
3
3 Number 4434 Basis 0-0 Location BN 04-43-05 Validator N
3
3 Type 3098 1-TRES ISLE Denom QUARTER 0.25
3
3 Theor Hold 10.49 Rec 3381 Group 99
3 Reels 0 Coins 0 Pay Lines 6 : Entry Date 06/07/90 :
3 Cabinet Style : Edit Date 06/29/94 :
3 : Status Off Line :
3 On Line 06/07/90 Off Date 06/29/94
3 Calc Type Standard House % 100.00 Prog % 0.0000
3
3 Valid Fill 250.00 Initial Fill 0.00
3 Prog Link 0 Max Hand Pay 0.00 Prog Max 0.00
3
3 Manufacturer IGT Reels 3R-3C-L-32 Id
3 Serial #
3 0 Point(s) per 0 Coins
3 Max Coins 0 Cur Division 0 BlackBart Id 593
3
3 Please make a menu selection... 3 File Edit Menu

```

EXHIBIT C

DONREY OUTDOOR ADVERTISING COMPANY

1111 WEST BONANZA
LAS VEGAS NEVADA 89106
702-382-5020

(A)

POSTER DISPLAY CONTRACT NO. _____

GOLDEN NUGGET

(Advertiser) (Agency) hereby contracts with Donrey Outdoor Advertising Company (Donrey) for the posting and maintenance (Service) of outdoor advertising posters on outdoor advertising poster panels owned and controlled by Donrey in the Markets listed below upon the terms and conditions set forth in this contract, for a term of 2 months, commencing on the first posting date shown below.

MARKET	SHOWING SIZE	NUMBER POSTERS		SPACE COST PER MO	POSTING DATE												YR	
		REG	ILL		JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC		
LAS VEGAS	250	26	46	27960.														89
	300	30	54	33740.														89
	300	30	54	33740.														89
TOTAL				95440.00														
POSTER COST					P FURNISHED BY AGENCY <input type="checkbox"/> ADVERTISER <input type="checkbox"/> POSTERCO <input type="checkbox"/>													
IMPRINT COST					O IMPRINTED BY AGENCY <input type="checkbox"/> ADVERTISER <input type="checkbox"/> POSTERCO <input type="checkbox"/>													
TOTAL EACH MONTH					S ORDERED BY AGENCY <input type="checkbox"/> ADVERTISER <input type="checkbox"/> POSTERCO <input type="checkbox"/>													
SPECIAL TERMS & CONDITIONS					E SHIPPING CHARGES AGENCY <input type="checkbox"/> ADVERTISER <input type="checkbox"/> POSTERCO <input type="checkbox"/>													
					S SHIPPED TO DONREY OUTDOOR ADVERTISING COMPANY													
DONREY OUTDOOR ADV. CO.					<div style="display: flex; justify-content: space-between;"> <div> <p>MAY 23 1989</p> <p>LAS VEGAS NEVADA</p> </div> <div> <p>RENEWAL</p> <p><input checked="" type="checkbox"/> New</p> <p><input type="checkbox"/> Renewal</p> </div> </div>													

Advertiser GOLDEN NUGGET Product or Service HOTEL-CASINO

Posters in sufficient quantity to meet the needs of this Contract, plus ten percent (10%) for renewal purposes, must be delivered to Donrey, shipping charges prepaid, at least ten (10) calendar days prior to scheduled posting date(s). Donrey does not guarantee posting of posters not timely delivered.

Donrey agrees to perform the service provided herein and in consideration thereof Advertiser/Agency agrees to pay the total sum of this Contract in the amount of \$ 95440.00 at the total monthly cost indicated herein, less agency commissions, if applicable, plus any additional costs.

This Contract (is) (is not) subject to agency commission.

If this Contract is made by an agency, Agency warrants and represents that it is authorized to enter into this Contract as the agent of the Advertiser and that Agency and Advertiser are jointly and severally liable for the payment of all amounts due under this Contract.

This contract consists of this page and the terms and conditions set forth on the back hereof, and is subject to the approval of the general manager of Donrey.

Name GOLDEN NUGGET By [Signature]
Advertiser (Name and Title)

Name TYOH ADVERTISING By [Signature]
Agency (Name and Title)

Address P.O. BOX 610 LAS VEGAS NV Date _____

Salesman KEN WHITE By [Signature] Date 8/24/89
Approval Manager

POSTING INSTRUCTIONS

[Handwritten initials]

ADVERTISER

Golden Nugget

SHOWING SIZE

#250, #300

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

POSTING
DATE

1 1 1 1 1 1 1 1 1 1 1 1
25 1,5,15.
12018 10/ 25.

AGENCY

PRINTER

CONTACT

CONTACT

PHONE

PHONE

DESIGN

SNIPES?

Yes

No

DESIGN:

4pm 2-50 1/2 hr

7pm 200 3 hr

MULTIPLE MONTH SHOWINGS

Locations are set for duration of contract YES NO

Locations are to change every 30 45 60 90 days

Posters are to be changed every 30 45 60 90 days

Design is to change YES NO WHEN:

SPECIAL INFORMATION

World Biggest Jack
Nickelodeon
Grand Prix
Thunderbolt

Loose

4 way Program

* treasure Island

COUNT EXECUTIVE:

[Handwritten signature]

#300 = 54 Boards
(NO POSTING LIST)
DATE:

Q4 Pencils.

12th 14 - 4-Thunderbolt, 5-Gundarix 5 Nickel
5th 43 - 14-Thunderbolt, 14-Gundarix, 15 Nickel
10th 20 - 6-Zodiac, 7-Progressive, 7-Zion. *
15th 17 - 6-Zodiac, 6-Progressive, 7-Zion. *

Q4

↑

July '89.

EXHIBIT D

Steve Jobs's Secret Plan to Take Back Apple

FORTUNE

America's MOST ADMIRED Companies

Masters of Innovation

1. Coca-Cola
2. Mirage Resorts
3. Merck
4. United Parcel Service
5. Microsoft
6. Johnson & Johnson
7. Intel
8. Pfizer
9. Procter & Gamble
10. Berkshire Hathaway



THE MOST ADMIRIED

Coca-Cola repeats this year as America's most admired company, garnering praise for its financial soundness, management quality, and investment value.



PHILIPPE HOUZE

RANK	1995	COMPANY	SCORE
1	1	Coca-Cola Beverages	8.87
2	7	Mirage Resorts Hotels, casinos, resorts	8.44
3	6	Merck Pharmaceuticals	8.34
4	25	United Parcel Service Mail, pkg. & freight delivery	8.31
5	7	Microsoft Computer & data services	8.29
6	4	Johnson & Johnson Pharmaceuticals	8.27
7	5	Intel Electronics	8.27
8	12	Pfizer Pharmaceuticals	8.23
9	2	Procter & Gamble Soaps, cosmetics	8.18
10	17	Berkshire Hathaway Diversified financial	8.18

THE LEAST ADMIRIED

RANK	1995	COMPANY	SCORE
431	417	TWA Airlines	3.42
430	408	Standard Commercial Tobacco	3.76
429	415	Kmart General merchandise	3.82
428	•	Canandaigua Wine Beverages	4.03
427	416	Morrison Knudsen Engineering, construction	4.05
426	401	Flagstar Food services	4.07
425	414	USAir Group Airlines	4.13
424	399	Beverly Enterprises Health care	4.31
423	411	Amerco Trucking	4.44
422	407	Cal Fed Bancorp Savings institutions	4.44

Early in 1996, TWA was on the mend. Then came the crash of Flight 800 and a PR meltdown. It's TWA's second straight year as the least admired.

After a year defined by the slick image-making of presidential politics, it's refreshing to note that corporate reputations are built on firmer ground. Indeed, FORTUNE's 15th annual survey of corporate reputations shows once again that what elevates companies above their peers is a lot of honest hard work. In the preceding pages, we've described the major role of innovation in enhancing companies' standings. In addition, there emerge this year three other bedrock elements of success: the soundness of a company's financial structure, the caliber of its management, and its value to investors over the long term. Eight of the top ten companies in the survey excel in these key attributes of success (see box). And Coca-Cola, which repeats this year as America's most admired company, beat all comers in each.

This year's list, prepared by the research firm Clark Martire & Bartolo-

meo, brought some real surprises. Three new companies appeared in the top ten—United Parcel Service (No. 4), Pfizer (No. 8), and Berkshire Hathaway (No. 10). They joined perennial top performers like Merck (No. 3), Microsoft (No. 5), and Intel (No. 7). The basement featured four newcomers: Cal Fed Bancorp (No. 422); Beverly Enterprises (No. 424), a health care provider; Flagstar (No. 426), a food service firm; and Canandaigua Wine (No. 428). They accompany some repeat performers—Kmart (No. 429), Standard Commercial, a tobacco and wool concern, (No. 430), and Trans World Airlines (No. 431). TWA achieves the highly dubious distinction of being the least admired company for three straight years.

But what a year it was for repeat winner Coca-Cola. The Summer Olympics provided the Atlanta-based soft drink maker with a spectacular showcase for its ubiquitous global

brand. Coke also scored points for its business prowess, articulated eloquently in its bold capture of a major PepsiCo bottler in South America. Chairman and CEO Roberto Goizueta says that a big part of what attracted the bottler to Coke was the enthusiasm, honesty, and quality of his work force. Says Goizueta: "Employees with integrity are the ones who build a company's reputation. Working for the Coca-Cola company is a calling. It's not a way to make a living. It's a religion." And amen to Coca-Cola's results: It earned \$3.5 billion last year, a 17% increase over 1995. It also provided a whopping 43.3% total return to investors in 1996, 23 points higher than the S&P 500 index, and its ten-year performance delivered a platinum 29.8% average annual return.

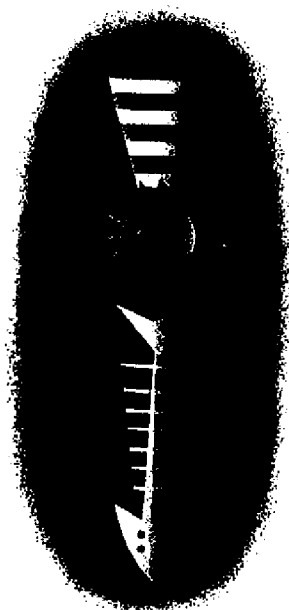
That kind of run buys a lot of admiration, but Intel's 1996 total return to investors of 131.2% deserves outright worship. Intriguingly, the Santa

ILLUSTRATIONS BY TERRY ALLEN



Continental Airlines Chairman and CEO Gordon Bethune has a lot to smile about. By vastly improving its service to customers, his company jetted up nearly 100 places on the list.

BIGGEST GAINERS AND LOSERS



BIGGEST GAINS OVER LAST YEAR

COMPANY	% CHANGE	SCORE
Continental Airlines	37.3%	5.86
PacificCare Health Systems	27.0%	6.74
Oryx Energy	20.8%	6.31
Omnicom Group	15.0%	7.56
Salomon	22.4%	5.31
Herman Miller	13.9%	7.78
Freeport-McMoRan	14.5%	7.30
Morrison Knudsen	29.6%	4.05
Hilton Hotels	14.5%	6.94
Tyco International	13.5%	7.10

BIGGEST LOSSES OVER LAST YEAR

COMPANY	% CHANGE	SCORE
AT&T	-23.7%	5.61
Caliber System	-20.9%	5.21
Tenet Healthcare	-17.8%	5.81
Humana	-17.7%	5.09
Viacom	-15.1%	6.08
Arkansas Best	-18.3%	4.46
Apple Computer	-16.8%	4.87
Intl. Flavors & Fragrances	-12.2%	6.71
Warnaco Group	-14.1%	5.55
Consolidated Freightways	-14.1%	5.55

Clara, California, chipmaker drew higher praise for its innovation than for its financial performance—which says a lot about its engineers. Mirage Resorts, which got high marks for its ability to provide quality service, to attract good people, and to innovate, moved from No. 7 to No. 2. CEO Stephen Wynn's transformation of mundane hotels and casinos into sparkling gaming palaces has forever changed Las Vegas. For his efforts, Wynn's company was rewarded with the fourth-highest overall ranking in quality of management.

Another first-rate manager, Warren Buffett, drove Berkshire Hathaway, the holding company he runs, into the No. 10 spot. Berkshire's financial reputation scores remained even (read: excellent) with last year's. Likewise, Procter & Gamble, the Cincinnati-based household

products maker, notched its highest score in the management column, apparently reflecting the exemplary job CEO John Pepper has done in cutting more than \$3 billion in costs over the past five years.

As for those companies that took a hit to their reputations, let's start with Rubbermaid, the housewares giant that bestrode the No. 1 spot for two years before Coke's ascension in 1995. The Wooster, Ohio, company lost its decade-long residency in the top ten, falling to No. 22. Once heralded as a model of how to run a company, Rubbermaid this year saw its quality-of-management score drop by 12%. The company is still feeling the effects of a wrong turn it made a couple of years ago. Forced to raise prices after its cost of raw materials increased, it passed

on the hike to its customers and sparked a feud with its biggest buyer, Wal-Mart. Lower earnings resulted.

AT&T wishes it had Rubbermaid's problems. Appearing uncertain in the wild new frontier of deregulated telecom, Ma Bell free-fell from No. 45 to No. 351, posting this year's biggest loss in reputation. The company was inadvertently cast as the poster boy for corporate downsizing after it announced in late 1995 that it would lay off 40,000 employees. But analysts say AT&T's reputation was dealt a far harder blow when its second- and third-quarter operating profits failed to meet expectations. The performance underscored the company's sluggish response to competition from rival long-distance carriers and a host of smaller, new telecom companies, like phone-card providers. "It's like a guerrilla war in this market now," says Bear Stearns analyst William Deatherage, and AT&T isn't used to competing with nimble adversaries.

Another high-profile tumble was suffered by entertainment giant Viacom, which nose-dived from No. 63 to No. 290. Though it basked in the glory of two blockbuster movies produced by its Paramount unit—*Mission: Impossible* and *Star Trek: First Contact*—it experienced turmoil in the executive suite when Chairman Sumner Redstone jettisoned CEO Frank Biondi.

Moving to the resurrection department, it's plain to see that some companies seized on the opportunities a purring economy offered. Case in point: Continental Airlines, which won bragging rights as this year's comeback kid, climbing from No. 412—sixth worst—to No. 317. CEO Gordon Bethune's hands-on management approach and the airline's much improved quality of service were reflected in our survey, with 34% and 32% jumps in each category, respectively. But it didn't hurt



Mirage Resorts combined strong management with splashy Vegas acts like magicians Siegfried and Roy to gain the No. 2 spot.

DAVID STRICK

EIGHT KEY ATTRIBUTES OF REPUTATION

Coca-Cola dominated, finishing first in five of the eight key corporate attributes, including financial soundness and quality of product, and ranking second in two others.

INNOVATIVENESS

MOST ADMIRED	SCORE
Enron	9.01
Mirage Resorts	8.90
Intel	8.87
LEAST ADMIRED	SCORE
TWA	3.68
Kmart	3.79
Cal Fed Bancorp	3.81

ABILITY TO ATTRACT, DEVELOP, AND KEEP TALENTED PEOPLE

MOST ADMIRED	SCORE
Microsoft	9.05
Coca-Cola	8.81
Mirage Resorts	8.52
LEAST ADMIRED	SCORE
TWA	2.62
Morrison Knudsen	3.65
Standard Commercial	3.69

QUALITY OF MANAGEMENT

MOST ADMIRED	SCORE
Coca-Cola	9.30
Berkshire Hathaway	9.16
Microsoft	8.93
LEAST ADMIRED	SCORE
TWA	3.75
Canandaigua Wine	3.87
Archer Daniels Midland	3.92

QUALITY OF PRODUCTS OR SERVICES

MOST ADMIRED	SCORE
Coca-Cola	9.23
Mirage Resorts	9.15
Walt Disney	8.83
LEAST ADMIRED	SCORE
Kmart	4.04
Southern Pacific Rail	4.15
TWA	4.27

VALUE AS A LONG-TERM INVESTMENT

MOST ADMIRED	SCORE
Coca-Cola	9.11
Berkshire Hathaway	8.81
Microsoft	8.73
LEAST ADMIRED	SCORE
TWA	2.67
USAir Group	3.21
Apple Computer	3.22

FINANCIAL SOUNDNESS

MOST ADMIRED	SCORE
Coca-Cola	9.44
Microsoft	9.42
United Parcel Service	9.19
LEAST ADMIRED	SCORE
TWA	2.23
Kmart	2.85
Standard Commercial	2.98

COMMUNITY AND ENVIRONMENTAL RESPONSIBILITY

MOST ADMIRED	SCORE
Coca-Cola	8.35
Herman Miller	8.23
Corning	8.03
LEAST ADMIRED	SCORE
Standard Commercial	3.60
Archer Daniels Midland	3.92
Amerco	3.94

USE OF CORPORATE ASSETS

MOST ADMIRED	SCORE
Berkshire Hathaway	8.84
Coca-Cola	8.74
McDonald's	8.25
LEAST ADMIRED	SCORE
Morrison Knudsen	2.98
Standard Commercial	3.56
Kmart	3.59

WHAT THEY DID FOR SHAREHOLDERS



THE MOST ADMIRED

COMPANY	COMPOUND ANNUAL RATE	TOTAL RETURN TO INVESTORS	
		1988-96	1996
Coca-Cola		29.8%	43.3%
Mirage Resorts		27.9%	25.4%
Merck		22.1%	24.0%
United Parcel Service		N.A.	N.A.
Microsoft		44.5%	88.3%
Johnson & Johnson		22.2%	18.1%
Intel		43.8%	131.2%
Pfizer		21.7%	34.0%
Procter & Gamble		21.9%	32.1%
Berkshire Hathaway		28.3%	6.2%
S&P 500		11.8%	20.3%

N.A. Not applicable.

THE LEAST ADMIRED

COMPANY	COMPOUND ANNUAL RATE	TOTAL RETURN TO INVESTORS	
		1988-96	1996
TWA		N.A.	-36.7%
Standard Commercial		6.6%	113.4%
Kmart		0.5%	45.6%
Canandaigua Wine		11.8%	-12.6%
Morrison Knudsen		N.A.	N.A.
Flagstar		N.A.	-71.0%
USAir Group		-4.2%	76.4%
Beverly Enterprises		-2.3%	20.0%
Amerco		N.A.	66.7%
Cal Fed Bancorp		-14.6%	55.6%
S&P 500		11.8%	20.3%

N.A. Not available.

that the robust economy drove demand for air travel higher, prompting industrywide hikes in ticket prices. That helped the company post record year-end operating profits—\$556 million. Not bad for a company that used to simply lose less money than usual during good economic years. Says Bethune: "We were ready to capitalize on a good rising tide, and we didn't have any holes in our boat."

The least admired companies turned in dismal performances in the financial soundness, management

quality, and long-term investment categories. TWA, for instance, actually flew high during the first six months of the year, with the company's share price climbing from around \$10 in January to a \$23 high in April. Then came the Flight 800 crash in July and the airline's achingly slow response. TWA failed so poorly in communicating with families of the victims that one PR manager at another airline faxed TWA a how-to guide in crisis management. Later in the year the airline announced that, to curb losses in its transatlantic business, it would initiate a major rollback in its operation at New York City's Kennedy airport. Shares now hover around \$6.

Meanwhile, Kmart ranked poorly again as its turnaround appeared to run out of gas. Analysts say the Troy, Michigan, retailer desperately needs revenue growth, but can't lower prices without risking erosion in its fragile earnings picture. Kmart CEO Floyd Hall might find solace in the fact that the company's quality-of-management score rose 25% this year. Then again, the retailer has one of the worst rankings in the use-of-corporate-assets category and was also slapped in the quality-of-service column. Analysts are apocalyptic about the company's future. "It's a lost cause," says Robert F. Buchanan of NatWest Securities.

Some companies like Microsoft ranked well because of their ability to attract and keep talented people. Microsoft takes this issue very seriously, and the software colossus, known for luring high-IQ workers to Redmond, Washington, leads the field in attracting hot talent to its ranks. In fact, two companies that posted big gains in reputation this year

did so largely on the strength of higher scores in the talent column. Salomon Inc.'s reputation was stung in last year's list after the company's investment-bank unit tweaked that most sacrosanct of Wall Street holy objects—compensation—and set off an exodus of talent. Salomon Bros. CEO Deryck Maughan shelved the much maligned pay-for-performance system, and Salomon's score in the talent category subsequently rose an impressive 44%. That helped lift the company from No. 410 to No. 371 in the overall standings.

But advertising giant Omnicom Group fared even better. It leaped from No. 169 to No. 31 after experiencing a 20% increase in its talent score. Nothing draws skilled hands to your ship like a clearly defined destination and a plan to get there, and last year Omnicom provided both. It made an unambiguous move into cyberspace with its acquisitions of minority stakes in eight interactive advertising agencies. Wall Street liked what it saw, and the stock rose from \$35 last year to a recent \$48 per share. "At one time Omnicom was playing catch-up with its competitors," says

USING CAPITAL WISELY

Company reputations are reflected in EVA—how much operating profits did or did not exceed cost of capital.

THE MOST ADMIRED

COMPANY	EVA 1995 \$ MILLIONS
Coca-Cola	\$2,140
Mirage Resorts	\$3
Merck	\$1,115
United Parcel Service	\$295
Microsoft	\$1,345
Johnson & Johnson	\$841
Intel	\$2,431
Pfizer	\$562
Procter & Gamble	\$624
Berkshire Hathaway	N.A.

THE LEAST ADMIRED

COMPANY	EVA 1995 \$ MILLIONS
TWA	-\$161
Standard Commercial	-\$21
Kmart	-\$1,294
Canandaigua Wine	\$10
Morrison Knudsen	-\$12
Flagstar	-\$235
USAir Group	-\$155
Beverly Enterprises	-\$119
Amerco	-\$60
Cal Fed Bancorp	-\$93

SOURCE FOR ECONOMIC VALUE ADDED: STEVEN STEWART

Karen Ficker, an analyst with Furman Selz. "Today it's receiving credit for its strategy and for achieving some aggressive earnings expectations."

There are no magic tricks here, or at other companies that scored well this year. There's just solid performance—the surest way anyone has found to shine a corporate reputation. ■

THE MOST ADMIRABLE

THE 431 BEST AND.....

HOW THIS WAS DONE

This year's survey of America's most admired companies comprises 431 FORTUNE 1,000 companies, divided into 49 distinct industry groups. More than 13,000 senior executives, outside directors, and financial security analysts were asked to rate the ten largest companies (or in some cases fewer) in their own industry by the eight key attributes of reputation (see box). This year we added two new industry groupings: recreation equipment and temporary help. We divided insurance companies into two separate categories: property and casualty, and life and health. We have also eliminated ties in the rankings by carrying each company's score out to six decimal places and then rounding it off to two decimal places. An index of companies appears at the end of the listings.

2. Mirage Resorts 8.44
3. Merck 8.34
4. UPS 8.31
5. Microsoft 8.29
6. Johnson & Johnson 8.27
7. Intel 8.27
8. Pfizer 8.23
9. Procter & Gamble 8.18
10. Berkshire Hathaway 8.18
11. 3M 8.14
12. Hewlett-Packard 8.06
13. Corning 8.03

14. Home Depot 7.99
15. Levi Strauss Associates 7.97
16. Walt Disney 7.97
17. McDonald's 7.95
18. General Electric 7.92
19. Gillette 7.91
20. Boeing 7.89
21. Enron 7.89
22. Rubbermaid 7.81
23. Herman Miller 7.78
24. Cardinal Health 7.66
25. Goodyear Tire & Rubber 7.64
26. USAA 7.62
27. Motorola 7.61
28. American Intl. Group 7.58
29. J.P. Morgan 7.57
30. Shell Oil 7.57
31. Omnicom Group 7.56
32. M.A. Hanna 7.52
33. Interpublic Group 7.50

34. American Brands 7.49
35. Kimberly-Clark 7.49
36. Du Pont 7.48
37. Oracle 7.46
38. Merrill Lynch 7.46
39. Fed. Natl. Mortgage Assn. 7.45
40. Mobil 7.45
41. Norfolk Southern 7.44
42. Albertson's 7.41
43. Caterpillar 7.41
44. Exxon 7.40
45. Southwest Airlines 7.39
46. Coca-Cola Enterprises 7.38
47. Alcoa 7.38
48. Leggett & Platt 7.37
49. Anheuser-Busch 7.35
50. Deere 7.35
51. Emerson Electric 7.35
52. Xerox 7.35
53. Manpower 7.34
54. General Re 7.32
55. Sun Microsystems 7.32
56. Citicorp 7.31
57. Walgreen 7.30
58. Fed. Home Loan Mtg. Assn. 7.30
59. Freeport-McMoRan 7.30
60. Williams 7.27
61. Chubb 7.26
62. Abbott Laboratories 7.24
63. Wal-Mart Stores 7.24
64. Marriott International 7.24
65. Morgan Stanley Group 7.23
66. Liz Claiborne 7.23
67. Southern 7.22
68. Freeport-McMoRan C&G 7.22
69. Sysco 7.21
70. Fluor 7.20
71. Eli Lilly 7.19
72. Northwestern Mut. Life 7.18
73. Campbell Soup 7.18
74. Lockheed Martin 7.17
75. Armstrong World Ind. 7.17
76. CUC International 7.17
77. Eastman Kodak 7.16
78. Federal Express 7.15
79. Chrysler 7.15
80. Compaq Computer 7.15
81. FPL Group 7.14
82. General Mills 7.14
83. Sara Lee 7.13
84. Dow Chemical 7.12
85. Columbia/HCA Healthcare 7.11
86. PanEnergy 7.10
87. Tyco International 7.10
88. HDN Industries 7.10
89. Publix Super Markets 7.10
90. Nucor 7.09
91. State Farm Group 7.08
92. Amoco 7.07
93. United HealthCare 7.07
94. Olin 7.06
95. Nordstrom 7.06
96. Dow Jones 7.06
97. Washington Mutual 7.06
98. ConAgra 7.06
99. Unifi 7.05
100. Sears Roebuck 7.05
101. Schering-Plough 7.05
102. IBM 7.04
103. Springs Industries 7.03
104. Monsanto 7.03
105. Estée Lauder 7.01

106. Nestlé 6.99
107. Gannett 6.98
108. Tribune 6.97
109. Premark International 6.96
110. Shaw Industries 6.96
111. Golden West Financial 6.96
112. Household International 6.95
113. PepsiCo 6.95
114. Union Pacific 6.95
115. Safeway 6.95
116. AMR 6.94
117. Alco Standard 6.94
118. Hilton Hotels 6.94
119. AlliedSignal 6.94
120. Charles Schwab 6.93
121. Circus Circus Enterprises 6.92
122. American Home Products 6.92
123. Illinois Tool Works 6.92
124. United Technologies 6.91
125. Allstate 6.90
126. CPC International 6.89
127. McKesson 6.89
128. Clorox 6.89
129. CSX 6.88
130. Honeywell 6.88
131. Chevron 6.87
132. Brunswick 6.87
133. SBC Communications 6.86
134. Burlington No. Santa Fe 6.85
135. Ryder System 6.85
136. BankAmerica 6.85
137. VF 6.84
138. H.J. Heinz 6.84
139. Bristol-Myers Squibb 6.83
140. A. Schulman 6.83
141. Colgate-Palmolive 6.82
142. New York Life Insurance 6.80
143. Cyprus Amax Minerals 6.80
144. Russell 6.79
145. Genuine Parts 6.79
146. Tectra 6.78
147. Philip Morris 6.76
148. Marsh & McLennan 6.76
149. Sonat 6.76
150. Cooper Tire & Rubber 6.76
151. Texas Instruments 6.75
152. NationsBank 6.74
153. PacificCare Health Systems 6.74
154. Unilever 6.74
155. American Express 6.74
156. Banc One 6.73
157. Arrow Electronics 6.73
158. Vulcan Materials 6.72
159. Mitchell Energy & Dev't 6.71
160. Intl. Flavors & Fragrances 6.71
161. Travelers Group 6.70
162. Dell Computer 6.70
163. NGC 6.70
164. Host Marriott 6.69
165. KN Energy 6.67
166. Phelps Dodge 6.67
167. First Data 6.67
168. ADVO 6.67
169. American Honda Motor 6.66
170. Computer Associates Intl. 6.66
171. Turner Broadcasting 6.66
172. Dean Witter Discover 6.66
173. May Department Stores 6.63
174. Brinker International 6.62
175. Parker Hannifin 6.61
176. Kroger 6.60
177. Ingersoll-Rand 6.60
178. Automatic Data Proc. 6.60
179. Circuit City Stores 6.60
180. ITT Hartford Group 6.60
181. UAL 6.58
182. Office Depot 6.58
183. J.C. Penney 6.56
184. Bergen Brunswig 6.54
185. Knight-Ridder 6.54
186. Harrah's Entertainment 6.54
187. Toys "R" Us 6.54
188. Johnson Controls 6.53
189. BP America 6.53
190. Ford Motor 6.52
191. Texaco 6.52
192. Kimball International 6.52
193. Chase Manhattan 6.52
194. American Electric Power 6.50

195. Wendy's International 6.49
 196. Weyerhaeuser 5.48
 197. WestPoint Stevens 6.48
 198. PPG Industries 6.48
 199. Mead 6.47
 200. Arco 6.47
 201. New York Times 6.45
 202. Rockwell International 6.45
 203. International Paper 6.45
 204. Thermo Electron 6.45
 205. Halliburton 6.45
 206. American Greetings 6.45
 207. Lowe's 6.44
 208. Principal Mutual Life Ins. 6.44
 209. Dover 6.44
 210. Seagate Technology 6.43
 211. Union Camp 6.42
 212. Black & Decker 6.42
 213. TRW 6.42
 214. First Union 6.42
 215. Cummins Engine 6.41
 216. Dana 6.41
 217. Texas Gas 6.41
 218. AK Steel Holding 6.41
 219. Northwest Airlines 6.41
 220. Jacobs Engineering Group 6.41
 221. Foster Wheeler 6.41
 222. Pacific Gas & Electric 6.40
 223. Student Loan Mktg. Assn. 6.40
 224. Polaris Industries 6.40
 225. Edison International 6.40
 226. Daimler-Benz NA 6.39
 227. Siemens 6.39
 228. McDonnell Douglas 6.38
 229. Centex 6.38
 230. Reynolds Metals 6.38
 231. Reader's Digest Assn. 6.38
 232. Stanley Works 6.38
 233. Texas Utilities 6.37
 234. Pulte 6.37
 235. Warner-Lambert 6.36
 236. R.R. Donnelley & Sons 6.36
 237. TIAA 6.35
 238. Tenneco 6.35
 239. BellSouth 6.35
 240. Computer Sciences 6.33
 241. Bayer 6.32
 242. Dayton Hudson 6.32
 243. U.S. Healthcare 6.32
 244. Equitable 6.32
 245. Oxy Energy 6.31
 246. Owens-Corning 6.31
 247. Supervalu 6.30
 248. ITT 6.29
 249. Cone Mills 6.29
 250. Sprint 6.29
 251. Avon Products 6.28
 252. Phillips Petroleum 6.28
 253. Alcoa 6.25
 254. American Stores 6.25
 255. Bear Stearns 6.25
 256. A.G. Edwards & Sons 6.24
 257. Roadway Express 6.23
 258. Ameritech 6.22
 259. Raytheon 6.21
 260. General Dynamics 6.20
 261. CREF 6.20
 262. Bridgestone/Firestone 6.19
 263. Kelly Services 6.18
 264. McGraw-Hill 6.18
 265. Becton Dickinson 6.18
 266. Standard Fed. Bancorp. 6.18
 267. Union Carbide 6.17
 268. MCI Communications 6.17
 269. Newell 6.17
 270. First Chicago NBD 6.16
 271. Entergy 6.16
 272. Asarco 6.15
 273. B.F. Goodrich 6.15
 274. RJR Nabisco Holdings 6.15
 275. Coleman Holdings 6.14
 276. Adolph Coors 6.14
 277. ITT Industries 6.13
 278. Limited 6.13
 279. Furniture Brands Intl. 6.13
 280. Burlington Industries 6.13
 281. Winn-Dixie Stores 6.12
 282. Sundstrand 6.11
 283. Mark IV Industries 6.10
 284. Lows 6.10
 285. US Freightways 6.09
 286. Delta Air Lines 6.09
 287. Bell Atlantic 6.09
 288. Peter Kiewit Sons' 6.09
 289. Landstar System 6.09
 290. Viacom 6.08
 291. Mohawk Industries 6.08
 292. Liberty Mutual Ins. Group 6.08
 293. American Standard 6.07
 294. Hoechst Celanese 6.07
 295. Pitney Bowes 6.05
 296. BASF 6.05
 297. Federated Dept. Stores 6.05
 298. Raychem 6.05
 299. Baxter International 6.00
 300. Case 6.00

301. Northrop Grumman 5.98
 302. Bankers Trust N.Y. 5.97
 303. CDI 5.97
 304. Crown Cork & Seal 5.97
 305. J.B. Hunt Transport Svcs. 5.96
 306. Food Lion 5.96
 307. Volt Information Sciences 5.95
 308. Pharmacia & Upjohn 5.94
 309. Canon U.S.A. 5.94
 310. Dresser Industries 5.93
 311. PriceCostco 5.92
 312. Charter One Financial 5.90
 313. Conrail 5.88
 314. Metropolitan Life Ins. 5.88
 315. Comdisco 5.88
 316. Dillard Department Stores 5.86
 317. Continental Airlines 5.86
 318. IBP 5.85
 319. Times Mirror 5.85
 320. Air Express International 5.84
 321. Equitable Resources 5.84
 322. Collins & Aikman 5.83
 323. American General 5.83
 324. Aramark 5.82
 325. Tenet Healthcare 5.81
 326. Whirlpool 5.81
 327. EGG 5.81
 328. Time Warner 5.80
 329. Masco 5.79
 330. General Motors 5.76
 331. Fleetwood Enterprises 5.76
 332. H.F. Ahmanson 5.75
 333. Owens-Illinois 5.75
 334. Dun & Bradstreet 5.74
 335. Fleet Financial Group 5.72
 336. U.S. Industries 5.70
 337. Airborne Freight 5.69
 338. Nationwide Ins. Enterprise 5.69
 339. Helene Curtis Industries 5.69
 340. Cigna 5.68
 341. USG 5.68
 342. Pittston 5.67
 343. Bausch & Lomb 5.67
 344. Polaroid 5.66
 345. Public Svc. Enterp. Group 5.65
 346. NorAm Energy 5.64
 347. Georgia-Pacific 5.64
 348. DTE 5.64
 349. MascoTech 5.63
 350. Alaska Air Group 5.63
 351. AT&T 5.61
 352. Great Western Financial 5.57
 353. Consolidated Freightways 5.55
 354. Warnaco Group 5.55
 355. WellPoint Health Netwks. 5.54
 356. Novell 5.54
 357. Alberto-Culver 5.53
 358. USX 5.51

WORST COMPANIES

359. Ball 5.49
 360. Bally Entertainment 5.49
 361. Enserch 5.49
 362. UST 5.47
 363. Ruby Tuesday 5.47
 364. Fleming 5.47
 365. Con Edison of N.Y. 5.44
 366. Turner Corp. 5.43
 367. Tandy 5.42
 368. LTV 5.36
 369. Unicom 5.35
 370. Melville 5.33
 371. Salomon 5.31
 372. US West 5.31
 373. Fred Meyer 5.31
 374. Schuller 5.28
 375. Aetna Life & Casualty 5.26
 376. Champion International 5.23
 377. Inland Steel Industries 5.22
 378. Brown-Forman 5.21
 379. Calbar System 5.21
 380. Triarc 5.20
 381. Health Systems Intl. 5.18
 382. J.E. Seagram 5.15
 383. W.R. Grace 5.12
 384. Occidental Petroleum 5.11
 385. Archer Daniels Midland 5.11
 386. Digital Equipment 5.11
 387. Foamex International 5.11
 388. Paine Webber Group 5.10
 389. Humana 5.09
 390. Fieldcrest Cannon 5.06
 391. Dial 5.04
 392. Westinghouse Electric 5.03
 393. Universal 5.02
 394. Kellwood 5.01

395. FHP International 4.99
 396. Maxxam 4.95
 397. Outboard Marine 4.94
 398. Southland 4.92
 399. James River of Va. 4.91
 400. Nynex 4.88
 401. Apple Computer 4.87
 402. Prudential Ins. of Amer. 4.84
 403. Unisys 4.80
 404. Dimon 4.78
 405. A&P 4.77
 406. Boise Cascade 4.77
 407. Lehman Brothers Holdings 4.74
 408. Merisel 4.73
 409. America West Airlines 4.73
 410. Woolworth 4.72
 411. Bethlehem Steel 4.67
 412. Showe's 4.67
 413. Fruit of the Loom 4.63
 414. Glendale Federal Bank 4.60
 415. Yellow 4.59
 416. Foodmaker 4.58
 417. Southern Pacific Rail 4.58
 418. Whitman 4.55

419. Stone Container 4.49
 420. Family Restaurants 4.47
 421. Arkansas Best 4.46
 422. Cal Fed Bancorp 4.44
 423. Amerco 4.44
 424. Beverly Enterprises 4.31
 425. USAir Group 4.13
 426. Flagstar 4.07
 427. Morrison Knudsen 4.05
 428. Canandaigua Wine 4.03

THE
LEAST
ADMIRED

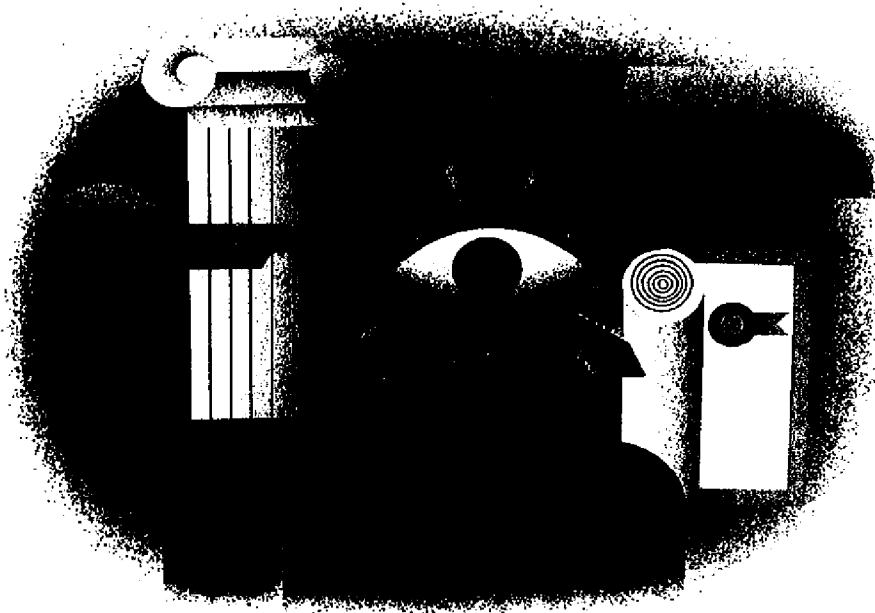
429. Knart 3.82
 430. Standard Commercial 3.76
 431. TWA 3.42

COMPANIES RANK

WHERE

IN THEIR OWN INDUSTRIES

Who knows a company better than its competitors? Here's how peers rank one another in their own industry groups.



HOTELS, CASINOS, RESORTS

1996	1995	COMPANY	SCORE
1	1	Mirage Resorts	8.44
2	3	Marriott International	7.24
3	8	Hilton Hotels	6.94
4	5	Circus Circus Enterprises	6.92
5	4	Host Marriott	6.69
6	•	Harrah's Entertainment	6.54
7	•	ITT ³	6.29
8	10	Bally Entertainment	5.49

EXCERPT

THE SECRETS OF AMERICA'S MOST ADMIRED CORPORATIONS:

IDEAS NEW PRODUCTS NEW

Making it to the top of *FORTUNE*'s most admired companies list is a bit like scaling a half-dozen Everests at once. A company has to conquer a slew of damnable difficult challenges.

Management, product quality, and financial soundness must be unsurpassed. Stockholders must be seduced. A company needs to be an exemplary corporate citizen, and it has to attract white-hot talent. But to be genuinely admired, an ineluctable quality must be in the mix as well: a spark that ignites the work force and allows the enterprise to respond readily to change. That ingredient is innovation, and all the top companies embrace it passionately.

Innovation abounds at ever-fertile 3M Corp., which introduced 500 new products last year. It's the force behind Pfizer, now known for having the best pipeline of new drugs coming to the market. It's what galvanizes Intel, whose brilliant new microprocessors keep driving the world's voracious appetite for computers.

It's not just manufacturers that win reputations for delivering creativity, either. Enron, a very different kind of power company, and Mirage Resorts, a dazzling collection of Las Vegas gambling casi-

Companies that know how to innovate don't necessarily throw money into R&D. Instead they cultivate a new style of corporate behavior that's comfortable with new ideas, change, risk, and even failure.

BY BRIAN O'REILLY



TERRY ALLEN

nos, were ranked first and second for innovation among all 431 companies in this year's list. Even Coca-Cola, which has made nearly all its fortune from a single unvarying product for more than a century, is relentlessly innovative. But that raises the question: Just what is innovation? It isn't necessarily frizzy-haired scientists in white lab coats, though too many people think it is. Says Douglas Ivester, chief operating officer at Coke: "Everybody falls into the trap of looking at the latest gadget, or thinking that creativity has to be in the arts and sciences. But you've got to encourage creativity in staffing, strategy, branding, and business processes too." You might say, then, that innovation is a style of corporate behavior that's comfortable with, even aggressive about, new ideas, change, risk, and failure. And it must permeate a very wide swath of an organization in order to make a difference.

But that doesn't mean you have to spend gobs of money on innovation. A *FORTUNE* analysis of 143 companies, comparing R&D expendi-

nos, were ranked first and second for innovation among all 431 companies in this year's list. Even Coca-Cola, which has made nearly all its fortune from a single unvarying product for more than a century, is relentlessly innovative.

But that raises the question:

"Computer modeling of drugs...helped Pfizer win a reputation for innovative and profitable new medicines."

COVER STORIES

tures as a percent of sales and rank on this year's innovation list, reveals that there is very little correlation between R&D spending and standing on the list. For some, the relation between R&D dollars and perceived innovation is downright perverse. Pharmacia Upjohn spends over 18% of revenues on research, more than almost any major company in any industry. But the pharmaceuticals company ranks 339th in innovation this year.

Bright ideas are an important part of innovation, of course. But as Steve Wynn, CEO of Mirage Resorts, observes, they aren't terribly rare. "Three executives sitting in a room can get 40 good ideas ricocheting off the wall in minutes." The challenge is getting a steady stream of good ideas out of the labs and creativity campfires, through marketing and manufacturing and all the way to customers. In most companies a good idea is a fragile thing, "like a lighted match, easily blown out by the cold winds of rigid management," says Enron President Jeffrey K. Skilling.

It's not that corporate bigwigs are especially stupid. Often, good ideas die when that new creative culture the boss espouses collides with a sound but outdated managerial approach still embraced in remote outposts of the corporation.

David Lieberman, marketing director at GVO, a Palo Alto innovation consulting firm, tells the story of a company "known by three initials" whose creative types had come up with a great idea for a new product. Just about everybody loved it. But it was shot down at the last minute by a high-ranking manufacturing executive. "A new color?" the executive exploded. "Do you have any idea of the spare-parts problem that will create?"

This was no dimwit exasperated at having to build a few new storage racks at the warehouse. "He'd been hearing for years about cost cutting, lean inventories, and 'focus,'" says Lieberman. "Good concepts, but not always good for innovation."

Get innovation right, though, and you can change the rules—and the profits—of an entire industry. Virtually all the companies with high marks for innovation on

this year's most admired list have had a significant impact on their industry and, in the process, produced impressive increases in earnings and market capitalization. Take Enron, for example, which got the highest innovation score of all this year. Just ten years ago the Texas company was losing money. Today it is highly profitable, and its stock has quadrupled over that period. How did Enron do it? Not by being a humdrum gas utility.

S ometime, when you are having a very slow day, take a look at an old map of all the natural gas pipelines crisscrossing the United States. To any idiot, it looks like a vast cobweb of interconnections, capable of shipping gas from any gas field to any local gas company. But a decade ago, to the geniuses in Washington and in the utility businesses, it was no such thing. Government regulation required a gas pipeline to run single-mindedly from a specific field to a particular utility company, with few shifts or diversions.

Along came Kenneth Lay. In 1986 his company, Enron, had just been formed by the merger of two natural gas giants. Lay figured it was a good opportunity to change the entire way they did business. "I was trained as an economist, loved free markets, and was convinced that government regula-

tion was causing most of the problems in the gas industry." And he viewed that national map of gas pipelines differently than just about everybody.

Lay recognized that by pushing deregulation, Enron could use all those natural gas lines as a network to buy gas where it was cheap and ship it to where it was needed. So, while most

gas utilities were vigorously resisting deregulation, Enron hired aggressive, well-compensated traders and almost single-handedly began creating spot markets in gas. To accelerate the growth of the new cultures he needed, Lay created several new public companies, majority owned by Enron. Those gung-ho traders went to one company; later, employees beating the bushes for business in Third World countries got set up in another.

And while his colleagues in the gas business harumphed that there was no need for a spot market, Enron found its new approach and structure could reduce the cost of gas for some utilities by 30% to 50%. "We changed the concept of how the natural gas industry was run—new products, new services, new kinds of contracts, new ways of pricing," says Lay.

Success bred new ideas. With the cost of free-market gas so cheap, Lay thought the unthinkable: using gas for fuel in electric generation plants—something forbidden under old federal regulations. Enron built and operated its own gas-fired power plant in Texas, showing that it could compete economically against coal-fired plants, with far less pollution. "We created a huge new market for natural gas as fuel for electric generation."

The company is even expanding overseas and has just finished building a 150-megawatt plant in Hainan Province, China. Gadgets, patents, doodads? At Enron, not a one. Nevertheless, Ken Lay has turned Enron into the most innovative power company in the country.

Innovation, though, doesn't always need to be played out on such a grand scale. Sometimes it's the little things, the details, that count. For instance, what made Mirage Resorts No. 2 in innovation and in overall reputation was CEO Steve Wynn's simple but creative idea: Give people great service, great food, and entertainment they can't get in Kokomo, and they will pay for it. "When someone walks into the Mirage, you can never tell if he is going to drop \$500 at the tables, or \$100,000," says Wynn. "We treat them all the same." His \$475 million Treasure Island casino hotel is the first one designed to generate more revenue from nongambling sources than gambling. And it is running at a 99.4% occupancy rate. A \$1.35 billion casino is under construction.

The key to Mirage's soaring stock price (its return to investors has averaged 22% a year for the past decade),



GE TOLD MANUFACTURING DIVISIONS THAT THEY SHOULD FUND R&D ONLY IF THEY WANTED TO.



GRIS GIRARD—CONTACT

BRIGHT IDEA
A once sleepy energy company, Enron is revolutionizing its markets. Shown here is its 150-megawatt plant in China.

Wynn says, was getting thousands of easily burned-out employees to be enthusiastic about service. His proudest morale-boosting inventions? Spending more per square foot to build the employee cafeteria than he did on the hotel's coffee shop; decorating the back corridors that employees use the same way that guest corridors are (not in gloomy industrial green); and not least, insisting that if managers and supervisors can't explain why they're asking employees to do something, then the troops don't have to snap to. Is good service innovation? When Wynn introduced it to the sleepy gaming industry, it sure was.

Sometimes it takes a crisis to turn plodding, sweaty, cautious companies into daring, windswept, leading-edge types. Says Stephen Tang, a vice president at management consultants A.T. Kearney: "Frequently the difference between being merely a good company and an innovative one is realizing you've got a big problem unlike any you've ever had, and then doing

something about it that you've never done before."

That description fits few companies better than Chrysler. The carmaker ranks 16th on this year's innovation list—ahead of Sun Microsystems, surprisingly, and Microsoft. A few years ago, though, Chrysler was writhing near bankruptcy for the second time in a decade. Desperate, 30 top executives met and rewrote the book on carmaking, says Chief Executive Robert Eaton. The result: Chrysler was the first to put together teams that included people from engineering, marketing, and manufacturing, all working simultaneously to design new cars. It developed kinder, gentler relations with suppliers that have reduced costs and are a model for the industry. Suppliers were also given free rein to come up with novel solutions to design problems.

Now Chrysler gets innovative new models to market faster than any other of the Big Three. Hard to believe, but the Viper, that testosterone-rich 12-cylinder sports car launched in 1992, is the oldest car in Chrysler's fleet. The new Chrysler Concorde sports an aluminum hood—a lightweight but hard-to-use material that other big carmakers have found impractical. The inno-

vation has paid off. Chrysler has the highest margins per vehicle and the best-performing stock of any American automaker.

Not a crisis but a giant flop emboldened Coca-Cola to become more innovative. It learned, with some embarrassment, that failure isn't fatal. In the early 1980s, Coke was staid, steady, and losing market share to Pepsi at home. In 1985 it nervously trotted out sweeter New Coke, which bombed. But demand for Coke Classic surged, making Chief Executive Roberto Goizueta, and the rest of the company, view Coke in a new way. "New Coke made us realize that Coca-Cola was more than a flavor or a bottle," he says. "It was a mental attitude." Energized, the company since then has generated one of the most imaginative, pervasive, and successful brand-image campaigns.

Just as important, Coke learned it could recover from, and even capitalize on, the gaudiest screwup. "Some people think there are 'You bet your company' decisions," says Goizueta. "There are no such things. Every decision has two parts. You make it, and then you make a decision to continue it or to change it."

COVER STORIES

Of course, most companies shouldn't need the threat of bankruptcy or the embarrassment of a New Coke to make them more innovative. It sounds like an oxymoron, but creativity and innovation can be managed, at least to some degree.

Take those white-coated researchers. You don't want to stifle them, but neither do you want them drifting into outer space, oblivious of the need to come up with something practical. Ronald Jonash, head of the technology consulting practice for Arthur D. Little, says one consumer products company just stumbled on an effective arrangement. "By a freak accident of the budgeting process, a group of R&D people were being paid half by the research department and half by the manufacturing section." Without meaning to, this company had created a direct line between the manufacturing floor and R&D. "It produced very different, very innovative behavior," says Jonash.

General Electric made even more explicit steps in that direction when it declared that the manufacturing divisions were free to fund GE's R&D centers if they wanted to or spend the money elsewhere. That scared and demoralized the scientists for a while. "They were feeling jerked around, trying to sell themselves," one GE executive admitted at an A.D. Little seminar. "But now it is a much healthier, more strategic laboratory."

It's also important to give creative types room to play. At Pfizer, CEO Edward Steere presses researchers not to fall into the common trap of concentrating on areas where they are familiar and comfortable. Instead he urges them to stretch into promising new approaches like genetics too. Pfizer's labs include the biggest overseas R&D center of any American drug company, which is lo-

cated in England. Being far away, researchers are refreshingly uncowed by authorities in New York, highly creative, and well-positioned to get Pfizer's drugs tested and into overseas markets quickly.

Pfizer, like most drug companies, comes upon some of its new ideas through acquisitions. It has invested in scores of small independent biotech firms but avoided a pitfall that frustrates many big drug companies. Steere's practical rule: "Don't pour too much money into a little company. Otherwise, half the scientists there will cash in their shares and quit."

And sometimes good things just, well, pop up. A compound that Pfizer was testing for angina was supposed to improve blood flow to the heart. But when the medicine was tested on a group of college students, they kept getting erections. (One can imagine the topic of conversation at the frat house dinner that night.) "Turns out there were more receptors for the medicine in the penis than in the heart," Steere says with a wry smile. Pfizer plans to file Viagra as a remedy for impotence with the FDA this year. If approved, says Steere, "take one an hour before you think you're going to get lucky."

Steere's approach is paying off. The company now has two blood pressure drugs, a fungus medicine, and a treatment for depression, each pulling in around

\$1 billion a year. Pfizer has surpassed Merck as the most innovative pharmaceuticals company on this year's list.

If your creative types aren't getting lucky enough, you might want some help from outsiders. The Doblin Group, innovation consultants in Chicago, sends teams of cultural anthropologists to camp out with a client's customers. They watch what customers do, need, like, or hate, and try to come up with a drop-dead new product or service that nobody knew they needed. "It's brutally hard work," says Larry Keeley, Doblin's president. "Don't try it at home."

Keeley says he is surprised and disturbed to find that the marketing departments at many large companies are often the least receptive to innovation. "They study data, they ask you what you don't like about your VCR, they make straight-line extrapolations. But they don't get powerful new insights that way." When companies start to itch for a dramatic breakthrough product, the impulse usually begins high up in the organization. "It's CEOs, division heads, strategists. The people who are watching the bloody margins spiraling down."

Does every company need to be drop-dead innovative, killing itself for the next breakthrough blockbuster? Probably not. Lots of big companies do just fine by tweak-

ing a product—putting sparkles in toothpaste and colored dots in laundry detergents. Until the advent of managed care, drug companies often made out like bandits by making pills just fractionally better than their previous ones, but priced three times higher.

So don't abandon a healthy business just for the sake of trying to be innovative. It's often enough, say the experts, to make sure there are lots of good ideas in various stages of fermentation. When the time comes, though, be willing to take risks. If you wait to move until everything is certain, you can be sure your competition will be there first. **F**

GLITZ CITY
Thinking outside the box, Mirage helped turn Las Vegas into a destination for families.



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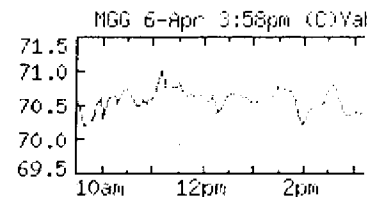
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Press Release

Source: MGM MIRAGE

MGM MIRAGE Among Forbes List of 'Best Managed Companies in America'

Thursday January 6, 3:00 pm ET

LAS VEGAS, Jan. 6 /PRNewswire-FirstCall/ -- Forbes magazine has named MGM MIRAGE (NYSE: MGG - News) one of the "Best Managed Companies in America," as part of its annual Forbes Platinum 400 list of top-performing big corporations. MGM MIRAGE was cited alongside only 25 other companies and was recognized as first in the "Hotels, restaurants and leisure" category.

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"This recognition reflects our company's solid business practices, financial viability, and outstanding performance," said Terry Lanni, Chairman and CEO of MGM MIRAGE. "The commitment of each of our employees and the dedication of our management team has made this recognition possible."

To identify leaders from each industry category, Forbes ranked companies within their industry by many financial metrics, including growth in sales and earnings, leverage, stock market returns and

earnings forecasts. From these ranks, each company received a composite score. Next, a financial analytics firm determined an overall score on each company for accounting and governance practices, financial condition and earnings quality. Finally, Forbes editors and writers looked closer at the top-ranked companies in each industry and considered factors that might not show up on a financial scorecard. From this process, the winners were selected for each industry.

MGM MIRAGE (NYSE: MGG - News), headquartered in Las Vegas, Nevada, is one of the world's leading and most respected hotel and gaming companies. The Company owns and operates 11 casino resorts located in Nevada, Mississippi and Michigan, and has investments in three other casino resorts in Nevada, New Jersey and the United Kingdom. For more information about MGM MIRAGE, please visit the company's website at <http://www.mgmmirage.com>.

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MGM MIRAGE Named Fortune Magazine's 'Most Admired' Casino Resort Company[Website](#)

LAS VEGAS, March 9 /PRNewswire-FirstCall/ -- For the fourth year in a row, Fortune Magazine has named MGM MIRAGE (NYSE: MGG) one of "America's Most Admired Companies" in its annual survey of companies with large U.S. operations.

MGM MIRAGE was rated the "Most Admired" casino resort company in the Hotels/Casinos/Resorts category. Overall, MGM MIRAGE ranked second in the Hotels/Casinos/Resorts category after Marriott International, a non-casino hotel resort company.

"We are very pleased to be recognized by Fortune Magazine for the fourth time as our industry's top hotel casino resort company," said J. Terrence Lanni, Chairman and Chief Executive Officer of MGM MIRAGE. "This ranking reflects the quality of our top-notch management team and our employees' commitment to excellence."

To identify "America's Most Admired Companies" for 2005, Fortune and its research partner, the Hay Group, asked 15,000 executives, directors and securities analysts to select the 10 largest companies they admire most in their industry, based on eight criteria. Criteria included: innovation, financial soundness, employee talent, quality of management, use of corporate assets, long-term investment, social responsibility, and quality of products/services.

MGM MIRAGE (NYSE: MGG), headquartered in Las Vegas, Nevada, is one of the world's leading and most respected hotel and gaming companies. The Company owns and operates 11 casino resorts located in Nevada, Mississippi and Michigan, and has investments in three other casino resorts in Nevada, New Jersey and the United Kingdom. For more information about MGM MIRAGE, please visit the company's website at <http://www.mgmmirage.com>.

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SOURCE MGM MIRAGE**Web Site: <http://www.mgmmirage.com>**

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UNITED STATES PATENT AND TRADEMARK OFFICE
TRADEMARK TRIAL AND APPEAL BOARD

Prairie Island Indian Community,
a federally recognized Indian tribe,

Plaintiff,

vs.

Treasure Island Corp,

Defendant.

Opposition Nos. 91115866 and
91157981

Cancellation Nos. 92028126
92028127; 92028130; 92028133;
92028145; 92028155; 92028171;
92029174; 92028199; 92028248;
92028280; 92028294; 92028314;
92028319; 92029325; 92028342;
and 92028379 (as consolidated)

AFFIDAVIT OF TOM MIKULICH IN SUPPORT OF
REGISTRANT/APPLICANT'S OPPOSITION TO MOTION FOR SUMMARY JUDGMENT

STATE OF NEVADA)
 :
COUNTY OF CLARK)

Tom Mikulich, being first duly sworn, deposes and says he has personal knowledge of, and is competent to testify to, the following facts:

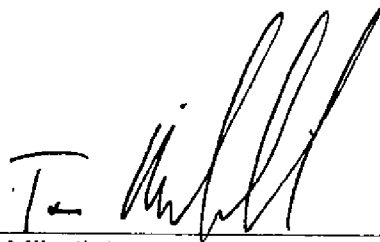
1. I am the President and Chief Operating Officer of Treasure Island at the Mirage in Las Vegas, Nevada;
2. I was first engaged as the Casino Administrator at the Golden Nugget Hotel in May 1989. Thereafter, I became the Assistant Slot Manager and then the Slot Manager at the Golden Nugget Hotel.
3. When I arrived, I learned that the Company had been developing a series of new slot machines for the Golden Nugget, including a line of slot machines that were branded "Treasure Island." The machines were installed in the Golden Nugget at or near the time I first arrived at the Hotel.
4. In addition to the belly glass, signage appeared above the slot machines to prominently attract our patrons.

5. Our sister property, the Mirage Hotel, opened later in 1989 and Treasure Island slots were also installed at the Mirage Hotel.
6. The Mirage Hotel opening was so successful that during the first day of operation, the casino actually ran out of coins.
7. During the first year of operations, the net revenues from the slot machines at the Mirage totaled approximately \$120 Million, or double that of the revenue generated by the average hotel/casino in Las Vegas. Literally millions of dollars flowed through the Treasure Island themed slot machines over the first several years of operation at The Mirage.
8. To promote casino play on the slot machines, an extensive advertising campaign was launched, including billboards that rotated throughout Las Vegas that would show the Treasure Island name and icon and state "*ONLY AT THE MIRAGE*" or "*ONLY AT THE GOLDEN NUGGET.*"
9. Similarly, the coin cups at the properties also used the Treasure Island name and icon; thousands of coin cups bearing the name and icon have been taken home by tourists over the years.
10. When Treasure Island at the Mirage opened in 1993, it was immediately successful and shared great popularity because of its location immediately adjacent to the world famous Mirage Hotel. Since opening, our more than 2,800 rooms have enjoyed a remarkable annual occupancy rate of more than 90%. For example, most recently we have enjoyed occupancy rates in 2002 of 94.42%; in 2003 95.59%; and in 2004 97.22%.
11. Despite the high occupancy rates and more than one million annual room nights, which is the number of rooms we have available x 365 days per year, we have had virtually no instances of confusion between our property and the Prairie Island Red Wing, Minnesota property. In fact, I am personally unaware of *any instances* of confusion between our hotel/casino/resort and

that of the Prairie Island Indians. Perhaps this is due to the fact that our resort offers a wide array of amenities and activities. We have, for example, eight major restaurants, not including several smaller food vendors, nightclubs and the long-running, internationally acclaimed Cirque du Soleil production, "Mystere."

12. We continue to benefit from our location adjacent to the Mirage Hotel, which continues to be known as one of the world's preeminent destination resorts. The hotels share a tram, which transports our patrons from one property to the other, thus significantly increasing our visitor volume and national visibility.

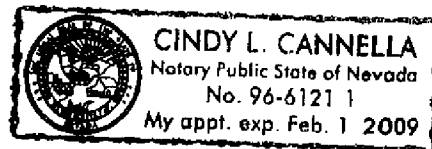
DATED: April 14, 2005



Tom Mikulich

SUBSCRIBED and SWORN to before
me this 14th day of April, 2005.


Notary Public



T:\0108.00002\Affidavit of Tom Mikulich - Opposition to MSJ (7367).DOC

UNITED STATES PATENT AND TRADEMARK OFFICE
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92028127; 92028130; 92028133;
92028145; 92028155; 92028171;
92029174; 92028199; 92028248;
92028280; 92028294; 92028314;
92028319; 92029325; 92028342;
and 92028379 (as consolidated)

**AFFIDAVIT OF RONDIL L. ROWLAND IN SUPPORT OF
REGISTRANT/APPLICANT'S OPPOSITION TO MOTION FOR SUMMARY JUDGMENT**


STATE OF NEVADA)
 :
COUNTY OF CLARK)

Rondil L. Rowland, being first duly sworn, deposes and says that she has personal knowledge of, and is competent to testify to, the following facts:

1. I am an employee of MGM MIRAGE, INC. I am the Assistant to Mr. Alan Feldman, Sr. Vice President of Public Affairs for the corporation, and also provide assistance to Yvette A. Monet, Public Affairs Manager for MGM MIRAGE.
2. Treasure Island Corp. ("TIC") is a subsidiary of MGM MIRAGE. I have been employed by MGM MIRAGE, or its predecessors in interest, and have worked for Alan Feldman, continuously for the past fifteen (15) years.
3. The Public Relations Department has contracts with various clipping and news story retrieval services, including Nexis.com. We use these services to help us track the various news stories and reports about the Company and its various resort hotel/casinos.

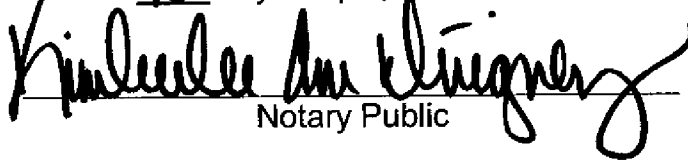
4. Yvette A. Monet, of our office, retrieved the attached news articles through the Nexis.com service. These articles are the electronic version of newspaper and magazine reports that have appeared in publications such as Forbes, The Los Angeles Times, The Chicago Tribune, The New York Times, The Washington Post, The Seattle Post Intelligencer, The Washington Times, The Vancouver Sun in British Columbia, The Chicago Sun Times, The Seattle Times, The Wallstreet Journal and various news bureaus such as The Associated Press, the PR Newswire and many others.
5. News reports about Treasure Island at the Mirage appeared in countless newspapers, magazines and related publications around the country and throughout the world, from the time the new hotel casino project was announced in 1991 through the hotel's construction and highly acclaimed opening in 1993.
6. In addition to the press and public relations coverage that the Company and the casino resort received, millions of dollars of paid advertising was spent prior to, and within, the first two years of its opening.
7. Attached to my affidavit is a small sampling of some of the hundreds of newspaper and magazine articles that have appeared in publications regarding the announcement of the Treasure Island at the Mirage project.

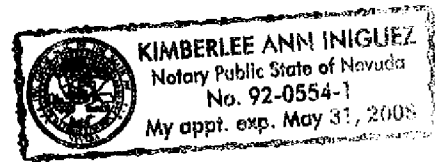
DATED: April 15, 2005


Rondi L. Rowland

(NOTARY SIGNATURE ON FOLLOWING PAGE)

SUBSCRIBED and SWORN to before
me this 15th day of April, 2005.


Notary Public



T:\0108.00002\Affidavit of R: Rowland - Opposition to MSJ (7367).DOC

EXHIBIT A

Forbes

December 9, 1991

SECTION: FOLLOW-THROUGH; Pg. 12

LENGTH: 211 words

HEADLINE: Enter **Wynn**

BYLINE: HOWARD RUDNITSKY; EDITED BY EDWARD GILTENAN

BODY:

KIRK KERKORIAN'S MGM Grand and Circus Circus Enterprises are building huge theme casino/resorts to draw more middle-class families to Las Vegas. Kerkorian's \$ 1 billion MGM Grand complex will have a movie-fantasy theme playing off popular films from the venerable Hollywood studio. Circus Circus' \$ 290 million attraction, still unnamed, will be built around a science fiction theme inexplicably housed in an Egyptian pyramid (FORBES, *Sept. 30*).

Now Stephen **Wynn**, the able chairman of **Mirage Resorts**, is getting into this high stakes act. In October **Wynn** announced his ambitious plans to build Treasure Island, a 3,000-room, \$ 300-million-plus hotel/casino with a pirate theme. Together, the three projects will increase the number of Las Vegas hotel rooms by at least 14%. They are slated to open within months of one another, in late 1993 through mid-1994.

Wynn's Treasure Island will dampen his rivals' hopes of having the mass-market casino idea all to themselves. But the biggest losers will likely be Las Vegas' smaller, plain vanilla casinos, which are already scrambling to survive in a glutted market. First Boston gaming analyst Daniel Lee thinks the new projects could further squeeze some of Vegas' poorly managed hotel/casinos.

Los Angeles Times

November 17, 1991, Sunday, Home Edition

SECTION: Travel; Part L; Page 1; Column 3; Travel Desk

LENGTH: 2662 words

HEADLINE: LAS VEGAS ERUPTS IN BARGAINS;
SIN CITY'S ATTEMPT TO LURE FAMILIES AND LOW-ROLLERS PRODUCE THE
LOWEST PRICES IN YEARS

BYLINE: By BARRY ZWICK, TIMES STAFF WRITER

DATeline: LAS VEGAS

BODY:

In those glorious days when the Mob ran Las Vegas, life was cheap. Drinks were too. And meals and rooms. Why, they just gave them away.

Those glorious days, my friend, are back.

Two weeks ago, I saw the Folies Bergere at the Tropicana Hotel for \$10.50. Twenty-five years ago, to see the same show, I had to pay \$12.50.

Why so cheap?

I had a coupon. In fact, *everyone* in line had a coupon.

Discount coupons are a way of life in Las Vegas today. You'll get a pile of them in the mail two days after you make your hotel reservation for an air/hotel package. Otherwise, they'll be waiting for you at the front desk. The clerk at the airport car rental counter will hand you some more. They'll be stacked up in your hotel lobby.

Las Vegas is simply awash in discount coupons. Every day is like Thursday afternoon at Ralph's.

Some examples: Free admission to the antique car museum at the Imperial Palace, normally \$3.75. Half-price on the Island Buffet at the Tropicana, already a dirt-cheap \$3.95. Two for the price of one at the Liberace Museum, normally \$6.50 a head. Five dollars off the \$22.50 ticket price for Jeff Kutash's "Splash" at the Riviera. Free tickets to the "Viva Las Vegas" show at the Sands, normally \$10. Free wine at the Dunes. Three free drinks and two free desserts at the Flamingo Hilton.

Las Vegas has always offered bargain brunches and, to patient gamblers, free drinks. But show discounts? Free shows? What has happened? Why now?

For one thing, Las Vegas has added 13,000 rooms in the last two years, including 4,032 at the Excalibur, which opened last June, and 3,049 at Steve **Wynn's** Mirage, which opened seven months earlier. Occupancy has dropped from 87.4% last year to 77.6% this year. As a result, Las Vegas hotels are giving away the store to fill all those rooms.

"All the new hotels have certainly keened the competition up," said Don Payne of the Las Vegas Chamber of Commerce. "But in this quixotic market, every time you put 3,000 rooms up, and they say there's a surplus, the new hotel suddenly gets 90% occupancy."

Another factor is the economy. "The bargains you're talking about," Payne said, "are a reflection of our feeling on people's will to spend discretionary income. In other words, the recession."

Kathy Espin, who handles publicity for the Stardust, has a seasonal explanation: "This is our traditional (end-of-the-year) slump. People have social obligations elsewhere. Occupancy at all the hotels suffers, and we're pulling out all the stops."

Payne compares the present to the late '60s, "before the bean-counters took over. The new management decided that everything had to pay its own way, starting with the rooms. The one thing they kept was the free parking."

Coupon madness is raging at the best places. Even the posh Desert Inn is giving away coupons for free drinks at Jeff Kutash's "Showstopper," a brand-new show by Las Vegas' hottest choreographer.

But the biggest news right now is the bargains on air fares and room rates. Southwest Airlines introduced a \$29 one-way air fare (from Burbank, Ontario or LAX) on Nov. 1. Southwest also offers air-and-hotel combinations for two nights for \$69.

During weekdays, rooms at the Imperial Palace, the Excalibur and the Aladdin are down to \$20 for a double. They're \$30 at the Sahara and Circus Circus.

(A caveat: You must book three weeks in advance for the airline deals, about two weeks for the hotel discounts. For hotel reservations, use the numbers listed in the "Guidebook," or the ones you find in Sunday newspaper advertisements. Often, main hotel switchboards are not aware of these discounts. If there's a convention in town, you'll pay top dollar. A national convention of undertakers was here when I was, and I had to pay the full price of \$89 for my room.)

Meal prices in Las Vegas, meanwhile, have hit Depression levels. Downtown, at Lady Luck, you can eat three buffet meals a day for a total of \$8.89.

Las Vegas on \$25 a day? You bet. And you'll have enough left over for nickel slots at the Riviera, 50-cent roulette at the Stardust and dollar craps at the Golden Nugget. Not to mention the best free show in town, the exploding volcano in front of the Mirage, which erupts every 15 minutes after sundown.

Does this tell us that the so-called "grind," or low-rollers, trade has taken over Las Vegas? Have senior citizens on bus tours replaced high-rollers as the mainstay of Las Vegas' business?

Step with us now into the casino of the Imperial Palace. Here, under a ceiling crawling with hideous bronze dragons, slot machines spread out as far as the eye can see. Two white-haired women sit side-by-side, feeding quarters to the machines. One, whose name tag says Thelma, is smoking. The other picks up a glass and takes periodic sips. "Can you believe it?" she asks. "They gave me a free drink and I'm not even a big gambler. I don't even know whether a full house beats five of a kind."

Outside, seniors pour out of three buses, and the Strip Trolley -- a hotel shuttle bus disguised as a tram -- discharges what looks like the vanguard of a nerd invasion from Caltech. The visitors carry their suitcases through the casino, jostling furious patrons, and take an elevator upstairs. Later, they will be chastised for standing over the blackjack tables with calculators in hand.

You'll have to go elsewhere to find the high rollers. Check out the baccarat tables at the four most expensive hotels in town -- the Desert Inn, Bally's, the Mirage and Caesars Palace. Few Americans are playing the high-stakes games these days. Males carrying Asian passports keep them going.

New games have been introduced as a result. A two-handed variation of poker called *pai gow* is everywhere.

Somewhere between the Mirage, at \$99 a night (down from \$130), currently the most expensive hotel in town, and the Imperial Palace, at \$20, lies a great bargain

hunter's middle ground.

Circus Circus, always a good deal at \$44, has lowered its rates to \$30 per room, sleeping up to four people. Circus Circus pioneered the kid-friendly casino/hotel concept when it opened in 1968. The hotel, and the medieval-themed Excalibur it sired, represent the new Las Vegas, a city that Mayor Jan Lavery Jones wants to promote as a desert resort for the whole family. Late last month, Steve **Wynn** of the Golden Nugget and the Mirage announced that he, too, would be building a family-oriented hotel, with 3,000 rooms.

Circus Circus' upstairs midway, where kids are allowed to play unaccompanied by adults, features free circus acts, leaning to trapeze and high-wire artists, from 11 a.m. to midnight. Contortionist Rudolph Delmonte, so nimble he can lick any body part below his neck, draws big crowds. Look for mobs of kids playing carnival games and making silly faces in the fun house mirrors. While their parents are off gambling, the kids run back and forth, in and out, up and down the elevators. It's all free, whether you're a hotel guest or not.

Even kid-haters love the dinner buffet at Circus Circus, an incredible feast for under \$3.99. Ten thousand people eat here every day, the hotel claims. The lines are long, but they move quickly. Friday is seafood night, with six seafood items among the 45 at the buffet. Flounder and cod, rarely seen at buffets, are here.

On your way out of the buffet, you'll be given a book of coupons.

Circus Circus has been such a success that its owners decided to build another theme hotel: the Excalibur. The Excalibur puts up nearly as many kids as Circus Circus. Its noon and 2 p.m. "Wonderful World of Horses" shows, starring the Royal Lippizaner stallions, are a big draw at \$5.95. For rooms, too, the price is right: \$20 per night between Thanksgiving and Christmas. The theme here is supposed to be Olde England, but the exterior is clearly modeled after a 19th-Century Bavarian castle. With 4,032 rooms, this is the largest resort hotel in the world. Excalibur draws older kids than Circus Circus, mostly teen-agers, and rather than running around in the casino they go jousting out in the parking lot.

For a more adult experience, the Tropicana is a good bet. To young, sophisticated Americans, the Tropicana has become what the Dunes was in the '60s. It's down from \$89 a night to \$55 now -- still no great bargain, but the food is: \$3.95 for the breakfast and lunch Islander Buffet, \$4.95 for supper.

Guests registering at the Tropicana, where I stayed, get a sheaf of discount coupons: half-price for the Folies Bergere, \$2 off at the Java Java Room coffee shop and half-price at the Islander Buffet. With your half-price coupon, you get endless trips to the breakfast bar for \$1.95 -- rows of tropical fruits, exotic omelets, seven kinds of doughnuts and something you'll never see at Circus Circus: unlimited soft drink refills.

And, when you cash in your half-price coupon, you get . . . two more coupons.

At the other end of town, the Golden Nugget, the AAA-rated four-diamond luxury king of downtown, is giving away its big Victorian rooms for \$58 this month and \$49 in December for two. We're talking about four-poster beds and expensive-looking antiques.

From Dec. 8-26, Southwest Airlines' packages will cost just \$74 per person for two midweek nights at the Golden Nugget, with air fare.

Wynn spent millions redecorating the Golden Nugget. The lobby is lined with gleaming white marble. In the hotel and casino you'll find gold-plated elevators, vases, telephones, even slot machines. And a huge gold-plated Big Six wheel. You might expect to find the heavy hitters gambling here, but not necessarily. The opulent Golden Nugget is the home of nickel slots and dollar craps.

"We have dollar blackjack, too," said Alan Feldman, vice president of **Mirage Resorts, Inc.** "But we also have \$100-minimum craps, and \$100-minimum blackjack. We're one of the few downtown casinos with baccarat. We feel that part of the appeal of downtown is that it appeals to a wide variety of players. You never turn your back to the nickel slot player."

The busiest slots in the Golden Nugget face the buffet restaurant. This is where you wait for your number to be called, half an hour on Sunday. The Sunday champagne brunch, at \$9.50 per person, would seem to be a big splurge by Las Vegas standards. But this is a four-plate, two-bowl, all-you-can-eat brunch. And beautiful to look at: smoked salmon, cherry cheesecake, fresh melon, gefilte fish, blintzes in strawberry syrup, French toast, Spanish omelets, roast beef, ham, turkey and shrimp salad.

The champagne is only Jacques Bonet, but you get vast quantities.

The brunch is offered all day Sunday. From 11 p.m. to 5 a.m. every night, the Golden Nugget sells complete steak dinners for \$1.99.

At show time in the new, lean Las Vegas, the real bargains begin -- or end, depending on your tastes. Magic shows are steep and rarely discounted. Tickets for Siegfried and Roy at the Mirage start at \$67.30.

But tickets for "Crazy Girls" at the Riviera -- 12 young women telling X-rated jokes and taunting males in the audience -- sell for only \$9.95, including two drinks. The performers lip-sync to lewd tapes and dance topless, too. In fact, this is the raunchiest show in town.

Folies Bergere, in contrast, is topless for only a few minutes. This is Las Vegas' longest running show, 32 years old, and cheaper than ever . . . thanks to coupons. Depending on which coupon you use, the \$21 two-cocktail show costs either \$15 or \$10.50.

How does the show look to someone who last saw it 25 years ago? Wonderful. The singing is better, the '50s songs are new, the comedian, Ray Fell, is much, much funnier. And you no longer have to slip somebody a \$10 bill to get a front-row seat. Just get in line early.

The hottest ticket in town is "Enter the Night" at the Stardust, featuring Bobbie Berosini and his performing orangutans. At \$33.25, this is no bargain by current Las Vegas standards. But if you stay at the Stardust between Dec. 1 and Jan. 30, your tickets are free. A double at the Stardust during this period will cost just \$32 in the brand-new tower, \$22 in the motor inn. The deal is good on weekends, but not on

New Year's Eve or Super Bowl weekend, Jan. 25-26. The Stardust will give guests 25 free raffle tickets on a 1992 Saturn from Dec. 15-25.

Visitors now rate hotels by the quality of their coupons. Of those hotels that willy-nilly hand out coupon books to all who ask, the Dunes is considered the worst and the Flamingo Hilton the best, with the Sands a close second.

You pick up your Dunes Funbook at the Promotions Desk. The coupons, except for the one for the free key chain, have strings attached. The Dunes will give you a free carafe of wine, but you have to buy dinner. They'll give you a free drink, but you have to buy a second one.

Not so at the Flamingo Hilton. Their free drinks are unconditionally free. You don't even have to be gambling.

The Sands gives you a high-quality coffee mug and free show tickets, but to get the hats and T-shirts you must bet \$20 on a sporting event.

The Flamingo Hilton's coupon book will introduce you to Food Fantasy, their 24-hour coffee shop. Whether or not you take them up on their two-for-one hamburger and fries offer at \$3.25, this deli/cafeteria is a cheerful relief when you've had enough buffets. Corn beef or pastrami sandwiches are \$4.25.

These coupons exist, of course, to lure you into the hotel casinos. Las Vegas hotels are set up so that no matter where you wish to go, you must pass through the casino first. Thus, while enjoying a rock-bottom, low-budget vacation, you can easily lose your house.

GUIDEBOOK

Las Vegas

Here is a sampling of Vegas deals:

Bargain flights: America West flies from LAX to Las Vegas for \$29 one way, provided tickets are purchased 21 days in advance. Call (800) 247-5692. Likewise Southwest Airlines, (800) 531-5601.

Air-hotel packages: Southwest Vacations, including air fare and two nights' lodging, begin at \$69 for midweek stays; (800) 423-5683.

Delta Dream Vacations, including air fare, two nights' lodging and 24-hour Alamo subcompact, begin at \$99 for midweek stays; (800) 872-7786.

Hotel specials: Aladdin, \$20 per night, double occupancy. Address: 3667 Las Vegas Blvd. South; (800) 634-3424.

Circus Circus, \$30 per night, double occupancy. 2880 Las Vegas Blvd. South; (800) 634-3450.

Excalibur, \$20 per night, double occupancy. 3850 Las Vegas Blvd. South; (800) 322-8687.

Imperial Palace, \$20 per night, double occupancy. 3535 Las Vegas Blvd. South; (800) 634-6441.

Sahara, \$30 per night, double occupancy, includes show tickets and buffet breakfast. 2535 Las Vegas Blvd. South; (800) 634-6666.

Stardust, \$32 per night, double occupancy, in the new tower, or \$22 in the motor inn from Dec. 1 to Jan. 30, excluding New Year's and Super Bowl weekends, includes show tickets. Available weekends. 3000 Las Vegas Blvd. South; (800) 222-2946.

Meal deals:

Circus Circus for best supper buffet bargain, \$3.99. 2880 Las Vegas Blvd. South; (800) 634-3450.

Flamingo Hilton, Food Fantasy, two hamburgers and two orders of French fries with coupon available at the Funbook Desk, \$3.25. 3555 Las Vegas Blvd. South; (800) 732-2111.

Golden Nugget for best Sunday champagne brunch, all day, \$9.50. 129 E. Fremont St.; (800) 634-3454.

Palace Station, winner of the Las Vegas Review-Journal's poll for best buffet and best breakfast, at \$3.95 for breakfast, \$4.95 for lunch, \$7.95 for supper. 2411 W. Sahara Ave.; (800) 634-3101.

Tropicana Hotel, Islander Buffet, \$3.95 breakfast and lunch, \$4.95 supper. 3801 Las Vegas Blvd. South; (800) 634-4000.

- Freebies: The continuous circus acts at Circus Circus, 11 a.m. to midnight.

Free sample of your choice and free tour, Ethel M Chocolate Factory & Cactus Garden, 2 Cactus Garden Drive; (800) 634-6584.

For more information: Contact the Las Vegas Convention and Visitors Authority, 3150 S. Paradise Road, Las Vegas, Nev. 89109, (702) 733-2323.

The Associated Press

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November 11, 1991, Monday, PM cycle

SECTION: Business News

LENGTH: 689 words

HEADLINE: Vegas Crapshoot: Gaming Capital For Adults Goes All Out to Woo Families

BYLINE: By ROBERT MACY, Associated Press Writer

DATELINE: LAS VEGAS, Nev.

BODY:

Once upon a time, in this land of green felt and glizty neon, kids were persona non grata.

But the city that once prided itself in being a Disneyland strictly for adults is changing dramatically.

Some of its most successful players are betting billions that the future lies with families as well as with the coveted high rollers who built the town.

Last month, two of the city's gaming giants announced plans for \$ 1.3 billion in new family-themed projects.

And on Thursday, Circus Circus Enterprises Inc., a \$ 1.7 billion gaming empire built on the thesis that Vegas could be a family-kind-of-town, is poised to announce another \$ 300 million project.

Circus Circus chairman William Bennett promised after he opened the \$ 300 million, 4,000-room Excalibur Hotel in June of 1990 that he had a few more ideas up his sleeve.

That hotel was built like a castle and complete with court jesters and friendly dragons.

Bennett said the new venture will still cater to families, though it will be more lavish.

"We're using a lot of people who do work with Disney," Bennett said, declining to disclose the theme or location of the new project. "We're getting into the big leagues, and getting into the big bucks."

Mirage Resorts chairman Steve **Wynn** surprised the industry late last month by announcing plans for a \$ 300 million family-themed resort to be known as Treasure Island, north of his Mirage Hotel.

Earlier in the month, billionaire Kirk Kerkorian broke ground for his \$ 1 billion MGM Grand Theme Park and a 5,000-room hotel that will be the world's largest.

By wooing families, developers also hope to build more future business. Teen-age family members, after getting a taste of Vegas, may come back when they can legally gamble.

Nevada law prohibits anyone under the age of 21 from gambling or being in areas where gaming equipment is located.

One thing speeding the metamorphosis of Las Vegas into a family resort destination is a shifting public perception of gambling, which in recent years has shed much of its sinful connotation.

In the past, when casinos zeroed in on freewheeling high rollers, families felt they

were unwelcome, gambling industry officials say.

Robert Maxey, president and chief executive of Kerkorian's MGM Grand Inc., said those days are gone. He sees the family unit as the fastest growing market segment in a city that draws 21 million visitors a year.

If there is one person who helped start the evolution of the family market in this gaming capital, it is Bennett, 66, who bought the ailing Circus Circus resort in 1974 along with partner William Pennington.

Circus Circus offered a mezzanine midway and circus acts to entertain the kids while Mom and Dad gambled downstairs.

The idea worked.

The parent Circus Circus Enterprises now owns seven properties in Nevada with 11,200 rooms. That contrasts with a total of 8,100 rooms for Atlantic City's 12 major hotels.

For the fiscal year ending Jan. 31 the company reported revenue of \$ 692 million, up from \$ 522.3 million the previous year. His knack for tapping the family market in a gaming environment has left Bennett with a fortune estimated in excess of \$ 500 million.

Kerkorian also is no stranger to Las Vegas. He built the former MGM Grand, now Bally's, and the former International Hotel, now the Las Vegas Hilton. Both were the largest hotels in the world when built.

He calls the new hotel and theme park, which will have a Wizard of Oz theme, his greatest undertaking yet.

Wynn got a foot in the family market with his \$ 730 million Mirage Hotel, which opened two years ago this month. The resort includes a white tiger habitat and a dolphin lagoon.

The Mirage rooms average about \$ 130 a night, while **Wynn's** new Treasure Island will be more competitive with Circus Circus and Excalibur - offering rooms in the \$ 40 range.

What does Bennett think about the new players in the family market?

"Everybody all of a sudden wants a piece of our pie," he said earlier this summer.

"Everybody all of a sudden is trying to become Circus Circus, to mimic our modus operandi. That's okay. It's out there for the asking."

Chicago Tribune

[View Related Topics](#)

November 3, 1991, Sunday, FINAL EDITION

SECTION: REAL ESTATE; Pg. 2J; ZONE: C

LENGTH: 341 words

HEADLINE: Mirage plans family resort in Las Vegas

BYLINE: By Robert Macy,

DATELINE: LAS VEGAS

BODY:

Mirage Resorts Inc. said last week it will build a \$300 million, 3,000-room family resort, the latest Las Vegas casino company to turn its attention away from high rollers in the quest for new business.

Mirage chairman Steve **Wynn** donned a pirate's cap and coat as he announced plans for a new theme destination resort to be named Treasure Island.

"We said when we opened the Mirage it would take a couple of years to get things squared up" before moving on to new projects, **Wynn** told a news conference. "Well, here we are. It's time."

Wynn opened the \$730 million, 3,000-room Mirage in November, 1989, amid skepticism whether the resort could make it financially. The hotel has exceeded projections and is, **Wynn** says, the highest grossing hotel in the world.

While the Mirage caters to high rollers, the new project will focus on families, **Wynn** said. It becomes the latest Las Vegas resort to target the family market.

Billionaire Kirk Kerkorian broke ground earlier this month on a \$1 billion MGM Grand theme park and 5,000-room hotel.

Circus Circus Enterprises Inc., which has made a fortune catering to families here, is expected to announce a major new family-theme resort in the next few weeks.

"We believe there's a great deal left to do in this market," **Wynn** said, referring to the growing number of families among the 21 million people who visit this gaming mecca annually.

Wynn said the rooms at the new property would be in the \$40-a-night range, compared to \$130 at the adjacent Mirage and \$70 at the company's downtown property, the Golden Nugget.

The new property will be built on a parking lot north of the Mirage on the Las Vegas Strip.

Construction is scheduled to begin this summer, with completion set for mid-1994. The new hotel will employ 3,000 people.

Wynn said Mirage officials had been working five months on the new project.

"It will be a theme destination resort," he said. "We plan to bring the same level of imagination to this project that has characterized our work in the past."

Los Angeles Times

October 30, 1991, Wednesday, Home Edition

SECTION: Business; Part D; Page 2; Column 3; Financial Desk

LENGTH: 571 words

HEADLINE: **MIRAGE RESORTS** PLANS FAMILY HOTEL IN VEGAS;
GAMING: THE \$300-MILLION TREASURE ISLAND COMPLEX IS EXPECTED TO
INTENSIFY COMPETITION IN NEVADA'S BIGGEST ENTERTAINMENT OASIS.

BYLINE: By GEORGE WHITE, TIMES STAFF WRITER

BODY:

Mirage Resorts Inc. said Tuesday that it will build a \$300-million family oriented themed resort in Las Vegas, escalating the fight for family business in the Nevada gaming and adult entertainment oasis.

The Las Vegas-based company, which owns the Golden Nugget casinos in Las Vegas and Laughlin, Nev., said its latest mega-casino -- to be called Treasure Island -- will have 3,000 guest rooms and will be located adjacent to the Mirage, the firm's flagship casino and resort.

The new resort is expected to open in mid-1994, **Mirage Resorts** said.

The company joins a long list of gaming firms entering the burgeoning family entertainment market in a city once viewed as an adults-only vacation spot. Circus Circus Enterprises Inc. in June, 1990, opened the Excalibur, a 4,000-room hotel and casino that has a medieval theme and offers substantial non-gaming entertainment. Circus Circus is expected to announce soon that it plans to build yet another property.

In addition, MGM Grand Inc., which is controlled by Beverly Hills investor Kirk Kerkorian, this month began construction on a \$600-million, 112-acre complex in Las Vegas that will include a 5,000-room hotel and a theme park.

The **Mirage Resorts** announcement is another sign of changing times in Las Vegas, said Manny Cortez, executive director of Las Vegas Convention and Visitors Authority.

"Because of the proliferation of gaming around the country, the local casinos have decided that they can survive only by expanding and diversifying to attract a broader (spectrum) of people," Cortez said.

However, the building boom is expected to create a competitive shakeout in Las Vegas. The city has about 77,000 hotel rooms, a 20% increase over the past two years. With just the announced expansion plans, Las Vegas would have an additional

10,000 rooms by 1994, said Willard Brown, a gaming industry analyst at Dean Witter Reynolds in New York.

"The smaller casinos and the casinos with weaker management are going to face some tough times," Brown said. "By 1994, a number of casinos will be barely hanging on, some will be purchased by larger operations and some will head into bankruptcy."

However, some casinos are already feeling the competitive pressure. The hotel occupancy rate thus far in 1991 is 80%, compared to 86% for the same period in 1990. Casino revenue growth in 1991 is about 3%, compared to about 10% a year earlier, said Walter Tyminski, an industry analyst who contributes to Resort Management Report, a trade journal published in Midlothian, Va.

"Besides (new) construction, business has never recovered from the downturn that occurred during (the Gulf War) and slowdown in the economy," Tyminski said.

However, **Mirage Resorts** Chairman Steve **Wynn** said Treasure Island will allow his company to enter the lucrative lower-priced, family-oriented market. Room rates at the new property will average \$40 a night, he said. The Mirage, a 3,000-room, \$630-million hotel and casino that opened in November, 1989, caters to the upper end of the market, with rooms averaging \$120 a night.

Some major casino stocks dropped in Wall Street trading after the Mirage announcement. In New York Stock Exchange composite trading, Mirage closed at \$24.50, down \$1.50. In other Big Board trading, Circus Circus fell \$1.25, closing at \$34.125, while Hilton slipped 12.5 cents to \$42.875. However, Caesars gained 87.5 cents to close at \$32.375.

The New York Times

View Related Topics

October 30, 1991, Wednesday, Late Edition - Final

SECTION: Section D; Page 10; Column 3; Financial Desk

LENGTH: 766 words

HEADLINE: Market Place;
Casinos Are Not Such a Gamble

BYLINE: By Roger Cohen

BODY:

GAMBLING industry stocks tend to be regarded as a big gamble themselves. High leverage, high fixed costs and the unpredictability of high rollers all contribute to the uncertainties of an intensely competitive sector whose growth has long been curtailed because gambling is allowed in relatively few places. Only one pure gambling company, Circus Circus Enterprises, has an investment-grade rating from

Standard & Poor's.

But although the sector will never offer blue-chip credentials, there are encouraging signs. Analysts cite the growing popularity of gambling, its widening acceptance, the resilience of the Nevada economy and the successful digestion of a number of new casinos.

"We believe that the gaming industry will continue to expand and be increasingly accepted as part of the general entertainment business," said Robert Nelson, a senior vice president at S. & P. "This should offer continued growth opportunities for the major gaming companies."

The prospects seem brighter in Nevada than Atlantic City, which is hurt by tighter regulations, overcapacity, the recession in the Northeast and the heavy indebtedness of several companies.

Donald J. Trump's properties, Resorts Casino Hotel and the Pratt Hotel Corporation's Sand's casino are all heavily leveraged. But after a terrible 1990, when the 12 Atlantic City casinos suffered a total net loss of \$265.5 million, an upturn appears to have started in the second half of this year. Year-on-year revenues rose substantially in July and August.

Richard J. Byrne, an analyst at Merrill Lynch, said the improvement in Atlantic City should be bolstered by a move to 24-hour gambling on weekends, the concession of greater space to slot machines, a gradual improvement in the region's economy and an improved basic substructure for the city.

New gambling venues on riverboats and Indian reservations as well as in South Dakota are making gambling more widely accessible. Although this means new competition for Atlantic City and Nevada, the growth also offers new opportunities to established companies and should increase the appetite for gambling around the country.

"The spread of legalized gambling could garner us opportunities beyond Nevada soon," said Glenn Schaeffer, the president of Circus Circus.

Circus Circus, whose annual increase in earnings per share has averaged about 20 percent over the last five years, describes itself as a "merchant of fun." Having recently built one enormous hotel-casino in Las Vegas, the mock-medieval Excalibur, it is about to announce plans for what it calls another "one-of-a-kind entertainment megastore." No wonder: operating cash flow at the Excalibur was about \$103 million on revenues of \$316 million in its first year of operation. Mr. Schaeffer is impassioned in his presentation of gambling as a form of reasonably priced family vacation entertainment, and his company's success suggests that this portrayal will become increasingly pervasive fairly soon.

Already, Kirk Kerkorian's MGM Grand Inc. has embarked on a \$1 billion investment in Las Vegas that will combine a theme park and a casino in the most expensive test yet of family-style gambling. The Hilton Hotels Corporation, meanwhile, has long been successful in Las Vegas through a combination of its Flamingo Hilton, which has mid-market family appeal, and the up-market Hilton Las Vegas, which caters to the high rollers.

The world of high rollers, however, has found its most extravagant expression in Las Vegas at the Mirage Hotel of **Mirage Resorts Inc.**, where many Asian players have been gambling as much as \$12 million an hour on baccarat. So high are the stakes that Steve **Wynn**, the chief executive of Mirage, warned in his company's last annual report that the loss of the "most significant" of these players could have "a material adverse effect" on Mirage.

He is deleveraging the company, meanwhile, with the cash flow from the Mirage and said that he had already retired about \$250 million of debt this year, bringing the company's borrowing down to \$850 million. Promus Companies, with properties in Atlantic City and Las Vegas, has also been paying down debt.

With Las Vegas continuing to defy the recession -- its revenues rose 13 percent to \$4.04 billion in the fiscal year ended June 31 -- the companies with a strong presence there appear well placed. These include Circus Circus, Hilton Hotels, Mirage and Caesars World Inc. Competitive pressures, however, are likely to be intense as new and ever more extravagant projects are developed to appeal to the family gambler of the 1990's.

The Associated Press

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October 29, 1991, Tuesday, AM cycle

SECTION: Business News

LENGTH: 469 words

HEADLINE: Mirage Announces New Family-Theme Resort

BYLINE: By ROBERT MACY, Associated Press Writer

DATeline: LAS VEGAS

BODY:

Mirage Resorts Inc. said Tuesday it will build a \$ 300 million, 3,000-room family resort here, the latest Las Vegas casino company to turn its attention away from high rollers in the quest for new business.

Mirage Chairman Steve **Wynn** donned a pirate's cap and coat as he announced plans for a new themed destination resort to be named "Treasure Island."

"We said when we opened the Mirage it would take a couple of years to get things squared up" before moving on to new projects, **Wynn** told a news conference attended by board members and members of the investment community. "Well, here we are. It's time."

Wynn opened the \$ 730 million, 3,000-room Mirage in November 1989 amid skepticism whether the resort could make it financially. The hotel has exceeded projections and is, **Wynn** says, the highest grossing hotel in the world.

While the Mirage caters to high rollers, the new project will focus on families, **Wynn** said. It becomes the latest Las Vegas resort to target the family market.

Billionaire Kirk Kerkorian broke ground earlier this month on a \$ 1 billion MGM Grand theme park and 5,000-room hotel.

Circus Circus Enterprises Inc., which has made a fortune catering to families here, is expected to announce a major new family-themed resort in the next few weeks.

"We believe there's a great deal left to do in this market," **Wynn** said, referring to the growing number of families among the 21 million people who visit this gaming mecca annually.

Wynn said the rooms at the new property would be in the \$ 40-a-night range, compared to \$ 130 at the adjacent Mirage and \$ 70 at the company's downtown property, the Golden Nugget.

The new property will be built on a parking lot north of the Mirage on the Las Vegas Strip.

Construction is scheduled to begin this summer, with completion set for mid-1994. The new hotel will employ 3,000 people.

Wynn said Mirage officials had been working five months on the new project.

"It will be a theme destination resort," he said. "We plan to bring the same level of imagination to this project that has characterized our work in the past."

Wynn said gambling "in itself is not that exciting anymore," with numerous states now offering some type of legalized gaming.

"The expectations of people are so much higher," he said, and resorts must now offer more than just slot machines and table games.

His company, which changed its name earlier this year from Golden Nugget Inc. to **Mirage Resorts** Inc., reported Monday its net income nearly tripled for the third quarter ending Sept. 30 despite a 10 percent drop in revenues.

The Mirage, complete with erupting volcano and white tiger habitat, opened in November of 1989. It has since become a premier attraction on the glitzy Strip, surpassing Hoover Dam as Southern Nevada's No. 1 tourist attraction.

PR Newswire

October 29, 1991, Tuesday

SECTION: Entertainment, Television, and Culture

LENGTH: 261 words

HEADLINE: CIRQUE DU SOLEIL TO ESTABLISH PERMANENT NORTH AMERICAN HOME AT THE MIRAGE LAS VEGAS

DATELINE: LAS VEGAS, Oct. 29

BODY:

Executives from Cirque du Soleil and The Mirage today announced that the famed circus will establish a permanent North American home at the Las Vegas resort.

Stephen A. **Wynn**, chairman of **Mirage Resorts** Inc., announced that the company has entered into a long-term agreement with Cirque du Soleil. The premiere performance of Cirque's highly acclaimed "Nouvelle Experience" will take place on Nov. 22, 1992, to commemorate the third anniversary of The Mirage.

"From the beginning, we have sought to create a sense of magic at The Mirage. I can't think of a better way to expand the wonder and thrill of The Mirage than with Cirque due Soleil," **Wynn** said at a joint news conference.

"It's a major step in the history of Cirque du Soleil," remarked Daniel Gauthier, Cirque's president. "For many years we have been searching for a 'home' in Las Vegas. We are extremely pleased to have found it at The Mirage. They offer us the same high standard of creativity, vision and sense of entrepreneurship as we have always strived to achieve within our organization."

Widely praised as an extraordinary experience which combines traditional elements of circus and theatrical flair and innovation, Cirque du Soleil has captivated millions of theater-goers in North America and Europe. Cirque's influence is considered a model for other circuses around the world and has, for millions, redefined the meaning of "Circus." CONTACT: Jean David or Claude Bergeron of Cirque du Soleil, 514-522-2324; or Alan Feldman of The Mirage, 702-791-7111

United Press International

October 29, 1991, Tuesday, BC cycle

SECTION: Financial

LENGTH: 390 words

HEADLINE: Mirage announces plans for new Vegas resort

DATELINE: LAS VEGAS, Nev.

BODY:

Mirage Resorts Inc., in a move to challenge MGM Grand's plans for a \$1 billion family resort, announced Tuesday it will build a competing "Treasure Island" hotel-theme park project.

The Mirage's project, to be built adjacent to its lavish \$730 million Mirage Hotel, will have more than 3,000 guest rooms. Construction is scheduled to begin next summer

and be completed in mid-1994.

Mirage's announcement comes three weeks after financier Kirk Kerkorian held groundbreaking ceremonies for the MGM Grand, also due to open in 1994. That resort will include an entrance with an 88-foot-high Leo the Lion, the world's largest hotel at 5,007 rooms, the world's largest casino and theme park designed to resemble a Hollywood movie studio back lot.

The move by **Mirage Resorts** shows the growing belief that Las Vegas' future may lie in repositioning itself as a theme-park destination, much like Orlando, Fla., home of competing attractions run by Walt Disney and Universal Studios.

Mirage Resorts opened the 3,054-room Mirage Hotel in November 1989 and made operating profits of \$187.6 million on revenues of \$660.5 million in its first year. "This hotel is the biggest success in the history of the world," said Steven **Wynn**, the company's flamboyant chief executive.

The hotel includes a \$13 million erupting volcano and a 20,000-gallon aquarium containing exotic fish. Industry analysts say the hotel owes its success in part to its ability to attract high rollers, particularly from Asia, with special suites that include their own gardens, statuary, swimming pools and putting greens.

Another Las Vegas mega-hotel, the 4,032-room Excalibur, has also racked up considerable success since it opened in June 1990 at a cost of \$300 million to its parent Circus Circus Enterprises Inc. The hotel, heavily themed toward medieval merrymaking, had estimated operating profits of about \$103 million on revenues of \$316 million.

In a separate announcement Tuesday, **Mirage Resorts** said the critically acclaimed Cirque du Soleil will establish a permanent North American home at the Las Vegas resort.

"From the beginning, we have sought to create a sense of magic at The Mirage," **Wynn** said at a news conference. "I can't think of a better way to expand the wonder and thrill of The Mirage than with Cirque du Soleil."

The New York Times

View Related Topics

July 11, 1991, Thursday, Late Edition - Final

SECTION: Section A; Page 21; Column 1; Editorial Desk

LENGTH: 661 words

HEADLINE: Pay-Per-View Politics

BYLINE: By Les Guthman; Les Guthman is a television producer.

BODY:

There it was, buried at the end of a newspaper article about the \$50 million pay-per-view television special starring boxers Mike Tyson and Donovan ("Razor") Ruddock.

The idea came from an unlikely source -- or not so unlikely, the more you thought about it.

A Las Vegas impresario, Steve **Wynn**, chairman of **Mirage Resorts**, which sponsored the multimillion-dollar bonanza, told a reporter there was nothing standing in the way of a colossal \$100 million pay-per-view broadcast except the absence of an event that could galvanize a national TV audience. "Election night!" Mr. **Wynn** said. "That would be a great pay-per-view event!"

After all the cynical hand wringing by news executives, the large-scale layoffs, the headlong retreat from journalistic responsibility, here was a proposal that could rescue the network news divisions.

Almost 1.4 million people paid \$34.95 to local cable companies to watch the Tyson-Ruddock match at home. Presumably there would be a larger audience for the networks' election night coverage in 1992. Each network would offer a card of anchor heavyweights worthy of the \$34.95.

If five million households signed up, several million fewer than the number who watch Peter Jennings each evening on "World News Tonight," ABC's revenues would be about \$175 million -- for one night's effort. That is more than half of the ABC News budget for an entire year. Based on the size of the audiences of the four evening news shows, CBS would reap about \$155 million for its election night special, NBC \$145 million and CNN about \$15 million.

NBC News could drop its plans to close most of its domestic bureaus and merge them with local news operations. CBS News could end its four-year siege of layoffs. Ted Koppel's "Nightline" could end its preoccupation with ratings and regain its crown as TV's best news program.

News purists would argue that putting election night on pay-per-view would set a bad precedent. It might herald an era of pay-per-view news.

If the Tyson-Ruddock price of \$34.95 is too steep for regular campaign coverage, drop it to the price of a movie ticket, \$7.50. A single primary night special, with a meager rating of 3 (almost unheard of in network prime time) would bring CBS \$21 million. That is only the beginning. The primary season lasts from February to June.

Two nights of coverage during the Democratic and Republican National Conventions would bring each network a potential purse of \$180 million based on the 1988 audiences of about six million homes each.

NBC News would not have to close its bureau in Miami and cover Latin America from the local news desk at KNBC in Los Angeles or with inexperienced freelance reporters. Charles Kuralt could stop worrying that "Sunday Morning" might be cancelled.

Politics aside, how about "60 Minutes" on pay-per-view? Mike Wallace and Morley Safer surely have more drawing power than Mike Tyson and Razor Ruddock. Don Hewitt, executive producer of "60 Minutes," far outclasses boxing promoter Don King as a prime time showman par excellence. If one-fourth of the 19 million households that watch "60 Minutes" subscribed to the "Hewitt P.-P.-V. Network" (a future CBS subsidiary?) paying each week the cost of a MacDonald's "Happy Meal" (\$3.08) to

receive the nation's most popular news program, CBS would gross \$14.6 million a show, or \$380 million over 26 weeks -- a run that would put to shame even this year's blockbuster movie, "Dances With Wolves," which grossed \$176 million after 32 weeks.

If Hewitt P.-P.-V. really caught on and all 19 million viewer households signed up, revenues could reach as high as \$59 million a week, or \$1.5 billion (not counting reruns).

Perhaps Steve **Wynn** was only joking when he suggested broadcasting election night on pay-per-view TV. It is a measure of how far we have permitted the erosion of our concept of public responsibility in broadcasting that his proposal would be taken seriously, even for a moment.

Los Angeles Times

June 27, 1991, Thursday, Home Edition

SECTION: Business; Part D; Page 1; Column 2; Financial Desk

LENGTH: 1407 words

HEADLINE: THE WINNER IS . . . PAY-PER-VIEW TV;
MARKETING HITTING NEW PEAKS IN THE TYSON-RUDDOCK MATCH

BYLINE: By THOMAS S. MULLIGAN, TIMES STAFF WRITER

DATELINE: LAS VEGAS

BODY:

If Donovan (Razor) Ruddock should nestle into the canvas Friday night with the encouragement of a short, crisp jab from Mike Tyson, the overhead camera will show him sprawled on a huge Budweiser logo on the ring mat.

It may be a priceless shot from an aesthetic standpoint but, like everything else involved in a big-time boxing match, it definitely has a price: It's costing Anheuser-Busch about \$750,000 to put its premium trademark there.

If it *can* be sold at this fight, it's being sold -- right down to the National Anthem, which will be sung by Peabo Bryson in a performance that his employer, Columbia Records, is promoting aggressively.

Joked Scott Kurnit, president of Showtime Entertainment Television, a partner in the pay-per-view TV promotion: "We've got to figure out a way to get the fighters to wear more than boxing trunks so you can fit more logos on."

The logos and advertising tie-ins have long been standard on a top-flight boxing show. But what makes Friday's contest stand out is that it represents the latest stage in the evolution of pay-per-view TV. Virtually every element of the promotion is aimed at boosting the pay-per-view audience.

Nobody contends that Tyson versus Ruddock represents the pinnacle of fistic art. It just happens to be the top attraction available at a time when pay-per-view TV is

finally blossoming.

Pay-per-view sales will account for at least two-thirds -- and possibly as much as three-quarters -- of the event's gross revenue. Promoter Don King predicted that the pay-per-view draw will be 1.9 million households. At the \$34.95 suggested price, that would be \$66 million. All other revenue sources, including the live gate, total about \$20 million. Even if King were off by 400,000 households, Friday's contest would still be the richest pay-per-view event ever.

(The April bout between heavyweight champion Evander Holyfield and George Foreman holds the record, which its promoters, Time-Warner's TVKO pay-per-view network, put at 1.49 million households and \$55 million gross. Kurnit, a rival, claims that TVKO's numbers are inflated and the real draw was 1.3 million homes and \$48 million gross.)

Steve **Wynn**, the Vegas impresario who built the Mirage, the huge hotel-casino where Friday's fight is being staged, says telecommunications technology has ushered in "the Age of the Promoter." With pay-per-view TV now able to reach 19 million households via cable, the broadcast networks no longer run all the big shows. Anybody with an event and the relative pittance it costs to rent satellite transmission hardware can sell it to the world.

Still, even in the Age of the Promoter, it seems odd that the most highly evolved member of the species would be the hyperbolic, electric-haired Don King.

"Is Tyson's insatiable lust for women taking his mind off Razor Ruddock?" King screamed into a TV camera Monday, playing off a USA Today report that referred colorfully to Tyson's "raging libido."

"Is the fury gone?" King screamed, parroting the headline on the cover of last week's Sports Illustrated. "All questions will be answered Friday!" King screamed. "King Vision Pay Per View! Ask your local cable operator!"

For several hours a day all this week, for talk shows, sports and news programs nationwide, King has been screaming the same message -- give or take a few denunciations of the envy-haunted rivals who are always plotting to do him dirt.

Yes, King is a throwback to the carnival barker, but he has Mike Tyson, today's most bankable fighter, and he has refined a new kind of barter system to help drive his pay-per-view events.

If you want a piece of this fight, don't pay King in coin, pay him in air time. Of the approximately \$10 million worth of promotion that King is sinking into Friday's event, less than \$3 million comes out of his pocket, he said. The rest is barter.

Thus, the \$750,000 that Anheuser-Busch pays to put the red-and-white Budweiser "bow tie" on the ring mat and numerous other camera-strategic positions around the arena is not in cash -- it's in TV commercials that promote the fight. As the nation's biggest sports advertiser, Anheuser-Busch is in a fine position to work that way. It simply substitutes Tyson-Ruddock ads for some of the dozens of beer ads it airs every day.

(Such barter dealing becomes even more crucial in the fall and early winter, when

the weekend TV schedule is crowded with football and basketball and the choicest ad time has already been snapped up by sports-hungry advertisers. The King of Beers always has plenty of spots that can be traded.)

Similarly, when ABC bought the rights to broadcast the fight on a delayed basis, it paid in promo dollars, not green paper. ABC has already aired a couple of Tyson-Ruddock features on its regular sports programs, and it is also chipping in commercials, King said.

Casio, the electronics maker, contributed cable TV commercials in exchange for its designation as "official television timekeeper."

The ad campaign is focused on cable TV because that's where the highest concentration of likely pay-per-view subscribers -- male sports fans 18 to 49 -- can be found, according to Showtime's Kurnit. But King said he likes to have ads on the broadcast networks, too, because they lend "credibility" to events carried by their younger cable cousins.

And what of the product being sold?

Tyson tenderized Ruddock pretty well last March in their first meeting, which was stopped in the seventh round on a controversial ruling by the referee.

"Ruddock was losing but he hadn't lost," said an employee of the Mirage, which also hosted that fight. It's a key distinction, as that modest suggestion of unfairness has been leveraged into a big-money rematch. When the technical knockout was called, Ruddock was alert enough to stare angrily into a ringside camera and mouth the question: "What?" That video sequence forms the backbone of the ad campaign now being flogged coast to coast.

Since the first Tyson-Ruddock fight last March, the "addressable universe" of homes that can be reached by pay-per-view has expanded by 1.5 million, Kurnit said.

Professional sports leagues -- especially the National Football League -- are also trying to figure out how to cash in. An indication of the potential was the great success of the Stanley Cup hockey playoffs as a regional pay-per-view event in Minnesota, where the underdog North Stars were a finalist.

"It only gets bigger," said Shelly Finkel, a New York City music and boxing promoter.

Wynn, chairman of **Mirage Resorts** Inc., gets all excited about pay-per-view's potential. **Wynn** is not a partner in the pay-per-view end of Tyson-Ruddock II -- his profit comes primarily from the live gate -- but he learned that side of the business by promoting a heavyweight title bout between Holyfield and James (Buster) Douglas at the Mirage last fall.

Tyson and King will split about 55% of the total take from pay-per-view, with the rest going to the local cable operators, **Wynn** said. King's expenses are unknown, because King isn't telling how much he guaranteed Tyson, Ruddock and the other fighters rounding out the program. Still, several people close to the event say that King could turn a profit with only half of the 1.9 million pay-per-view households that he expects.

In his office at the Mirage on Monday, **Wynn** mused that the only thing standing in the way of hundred-million-dollar, single-night profits is the lack of a truly galvanizing event, something that would draw women and men, young and old.

"Election night!" **Wynn** exclaimed. "That would be a *great* pay-per-view event!"

Boxing: Slicing the Pie

Pay-per-view TV is now the top source of revenue in a big-time boxing event, such as Friday's Tyson-Ruddock rematch. The chart, based on interviews with people involved in the fight, shows roughly where the money comes from. The live gate figure assumes a near sellout of the 16,000-seat arena. The \$45-million pay-per-view figure assumes that 1.3 million households buy the event at \$34.95 apiece—a conservative estimate. Promoter Don King predicts 1.9 million households. If he's right, add another \$21 million.

Gross revenue: \$65.0 million

Live gate, \$8.5 million: 13.1%

Closed circuit TV, \$1.0 million: 1.5%

Foreign TV rights, \$3.5 million: 5.4%

Delayed broadcast rights, \$4.0 million: 6.2%

Advertising sponsorship, \$2.0 million: 3.1%

Merchandising, \$1.0 million: 1.5%

Business Wire

January 17, 1991, Thursday

DISTRIBUTION: Business Editors

LENGTH: 335 words

HEADLINE: Stephen **Wynn** elected chairman and chief executive officer of Hollywood Park subject to shareholder/regulatory approval

DATELINE: INGLEWOOD, Calif.

BODY:

The board of directors of Hollywood Park Operating Co. Thursday announced that subject to the election of management's slate of directors at the shareholder meeting on Feb. 18 and the obtaining of regulatory approvals in California and Nevada, it has appointed of Stephen A. **Wynn** as chairman and chief executive officer, and that **Wynn** has agreed to assume such positions.

The board's action came at the recommendation of Marjorie L. Everett, Hollywood Park Operating Co.'s current chairman and chief executive officer.

Wynn is chairman, president and principal shareholder of Golden Nugget Inc., which owns and operates the Golden Nugget Casino and Hotel in downtown Las Vegas, The **Mirage Resort** on the Las Vegas Strip and the Golden Nugget Casino in Laughlin, Nev.

"I hope Hollywood Park will soon reap the benefit of Mr. **Wynn's** remarkable creativity and talent for marketing and management," Everett said. "If he is able to accept the appointment, he promises an extraordinary future for Hollywood Park, to

the great benefit of our shareholders and patrons."

Wynn was named president and chairman of the board of Golden Nugget Inc. in 1973. He transformed the small downtown casino into an elegant resort/hotel.

Wynn oversaw the design and construction of the Golden Nugget Casino and Hotel in Atlantic City, N.J. in 1980. Although it was the smallest casino in the city, it quickly became the most profitable and dominated the market. The property was sold to Bally Manufacturing Corp. in 1987.

Wynn and Golden Nugget Inc.'s most recent project is The Mirage, a destination resort with a tropical theme which has captured the imagination of visitors to Las Vegas. The mirage has set all-time industry records for gaming and non-gaming revenues and is considered an unqualified success by industry analysts.

Forbes

October 29, 1990

SECTION: PERSONAL AFFAIRS; Pg. 146

LENGTH: 862 words

HEADLINE: Personal links

BYLINE: By Evan; McGlinn; Edited by William G. Flanagan

HIGHLIGHT:

Putting your own golf course in your backyard is one way of avoiding the hassles of waiting to tee off.

BODY:

SHOULD PRESIDENT GEORGE BUSH feel the sudden urge to get in a quick game of golf whenever he's in California, he need merely pop over to his friend Walter Annenberg's 205-acre Sunnylands estate in Rancho Mirage. Annenberg has his own private 18-hole course at Sunnylands. (He also has a 3-holer at his East Coast home in Wynnewood, Pa., on Philadelphia's Main Line.)

Closer to the White House, the President could drop in for a round at John Kluge's house. Kluge doesn't play much golf himself, but he does have an 18-hole personal course on his 10,000-acre Albemarle estate in Charlottesville, Va. The 6,084-yard, par 70 course was designed by Arnold Palmer.

The half dozen or so personal 18-hole courses that exist around the U.S. are golfers' fantasies. Imagine never having to make a tee time or getting bogged down by a slow foursome or having to let others play through. Never having to replace divots. Taking ten minutes to line up a putt.

One could include in that fantasy list: Never having to pay a \$ 100 greens fee. But in fact, of course, the costs of a personal course are astronomical. Leave aside the expense of the real estate needed (a professional-quality course requires at least 200 acres). Just the staff, equipment and maintenance involved can run \$ 1 million a year (see box).

The most famous private course in the U.S. is Annenberg's Sunnylands links, built in 1964. The 5,869-yard, par 73 course is a lush oasis in the middle of the Coachella Valley desert. The well-guarded compound has long been a presidential favorite -- Eisenhower, Nixon, Reagan and Bush have all played here.

Probably the oldest private course is the one at the Rockefeller estate in Pocantico Hills, N.Y., near the Hudson River. Originally built in 1901, the 5,673-yard, par 70 course was redesigned in the 1930s by the renowned design firm of Toomey & Flynn, which also redesigned Southampton's majestic Shinnecock Hills Golf Club on New York's Long Island, where the 1986 U.S. Open was held.

The newest personal course -- and easily the most expensive yet built -- is Shadow Creek, in Las Vegas. Completed a year ago, it is the brainchild of Stephen **Wynn**, the chairman and chief executive of Golden Nugget, Inc. The course is near The **Mirage Resort**, but none of the hotel's guests gets to play it unless **Wynn** gives the okay. High rollers, including many Asians whom the Mirage has cultivated, often get that nod.

With a price tag estimated at over \$ 30 million, Shadow Creek is a 7,090-yard, par 72 Shangri-la in the desert. Tom Fazio, the designer, recreated the feel of the northern courses by planting 13,000 mature trees in 3 million cubic yards of soil -- quite a feat. Most new courses require only 500,000 yards of soil and roughly 500 trees. Fazio also built numerous waterfalls and one mile of creek. Rarely can another golfer be seen on another hole -- but, then again, only a handful of foursomes are allowed each day. **Wynn**, himself an avid player, oversaw the design of the course.

Private courses have been designed by the likes of Fazio, Robert Trent Jones Sr., Arnold Palmer and Jack Nicklaus. But country singer Kenny Rogers decided he'd do it himself when he put a course on his 1,200-acre spread in Colbert, Ga., just east of Athens. What started out as a simple practice hole in his backyard is today a full 18-hole, 6,500-yard, par 72 course complete with waterfalls, brooks and bridges.

But as a course designer, Rogers had to work the kinks out the hard way. For example, his 16th and 17th holes had improper drainage: After every heavy rain fish from the ponds would wash up on the greens. Rogers (who plays with an 11 handicap) now has a complex system of pumps and drains that keep all the brooks and ponds at the proper level.

"If you design a golf course yourself you have to expect to go through some catastrophes," shrugs Rogers.

One thing Rogers can fix whenever he wants, however, is where the trees are placed on his course. With the help of a hydraulic tree mover, Rogers can take planted trees, dig them out of the ground with their roots intact, and replant them where he likes. He rearranges the thousands of trees around the course on a weekly basis.

"Sometimes when I'm playing a hole I'll realize where I want a tree," he says. "So I'll tell my men and later when I come back that afternoon there will be a new tree in the middle of the fairway."

Besides determining how a course looks and where, for example, the trees should be, private course owners enjoy other license. You can, for example, make your own

special rules. Another country singer, Willie Nelson, has a nine-hole course in Spicewood, Tex., outside of Austin. On the back of his score cards, for folks who really like golfing parties, is printed: "No more than 12 allowed in your foursome."

And you can take other liberties, too. Walter Annenberg, for example, always had trouble reaching the green of his par 4, 455-yard, 5th hole at Sunnylands in less than three strokes. Frustrated at the thought of never scoring a birdie on the hole, Annenberg simply changed the hole's par 4 to par 5.

Chicago Tribune

April 20, 1990, Friday, NORTH SPORTS FINAL EDITION

SECTION: NEWS; Pg. 6; ZONE: C; Assignment: Las Vegas

LENGTH: 797 words

HEADLINE: Growth and jobs become the surest things in town

BYLINE: By James Coates, Chicago Tribune

DATELINE: LAS VEGAS

BODY:

Economists call it the multiplier effect, the happy phenomenon in which every time a new job is created, work blossoms for the people who must supply goods and services to the newly added employee.

Here in America's adult entertainment mecca, Baghdad alongside the yucca, the multiplier effect is on a rare roll.

An influx of tourists, retirees, investors and job seekers is creating a heady round of merrymaking and homebuilding unlike any ever seen in these parts before.

Nevada, once a desert backwater famous for its quick divorces and slow-paying slot machines, is booming, and the resulting job numbers are head-spinners.

When casino mogul Steve **Wynn** opened the **Mirage resort** next to Caesars Palace last November, 5,000 people were hired overnight to deal blackjack, sell jewelry, make beds, book tours, cook food, carry bags, drive limos and otherwise serve visitors staying in the spa's 3,049 rooms.

That multiplies out to 1.6 jobs per room, noted Terry Murphy, a sociologist employed by the Southern Nevada Homebuilders Association, a collection of delighted developers who are building houses and apartments for the new job-holders as Nevada outpaces all other challengers as America's fastest-growing state.

In June, the Circus Circus casino empire will open Excalibur, a complex of gaily colored medieval castle turrets, moats and drawbridges now taking shape amid an enchanted forest of construction cranes on the storied casino strip. Excalibur will add 4,032 rooms (and about 6,500 jobs) overnight.

Sometime next year, mega-developer Kirk Kerkorian plans to open another of the

new generation of vast Las Vegas pleasure palaces. Kitty-corner to the Excalibur, it will be a 5,000-room hotel surrounded by a theme park based on the MGM movie studio. That should add about 8,000 more jobs.

With an unemployment rate at or below 4 percent most months, Nevada needs outsiders to fill these thousands of new jobs, and that means a housing boom that creates still more jobs, a textbook example of the multiplier effect.

On April 10 the U.S. Census Bureau announced growth statistics that showed that Nevada, with a 39 percent population increase, was the country's fastest-growing state between 1980 and 1989.

Nevada thus outstripped even Florida, which grew by 30 percent during the decade, in part because of big growth in resorts drawn to the Orlando area by the success of Disney World. By contrast, Illinois' population increased by 2 percent during the period.

The University of Nevada at Las Vegas estimates that a whopping 97,000 jobs will be created here between now and the end of 1993 and, if trends hold, Las Vegas then will be a city of roughly 1 million. At the start of the decade, the city's population hovered around 300,000.

The latest reports from Nevada Power and Light Co. show there are 3,000 new residential electrical hookups each month in the Las Vegas area, a rate believed to be the fastest in the U.S.

Surveys of these new customers by homebuilders indicate that about 12 percent of the newcomers are retirees drawn by low taxes made possible by revenue from gambling as well as by low housing costs and the climate. Las Vegas has broiling 105 degree-plus summers, but it offers mild, livable weather for the rest of the year.

Of course, there are clouds on the horizon. On many mornings, the Las Vegas valley is filled with the same sort of brown cloud of air pollution from commuting automobiles that curses Denver, Phoenix, Albuquerque and Los Angeles.

Construction has recently been slowed because the city's expansion is damaging the habitat of the threatened desert tortoises that once flourished in the area.

Crime rates are high and schools are crowded at a time when an influx of retirees, whose children are long out of school, will make it more difficult to raise school taxes.

"They come here for wide-open spaces, but their numbers cut down on the amount of wide-open spaces available," said Murphy, the sociologist.

Indeed, according to a just-published study by the University of Nevada, each new job added or retiree lured here brings 2.1 new residents in the form of spouses, children, in-laws or assorted other relatives, adding to the population pressure.

Murphy used her own family to illustrate the phenomenon. In 1973, she said, her sister moved to Nevada while the rest of the family was living in Brooklyn.

A few years later the Murphy parents were lured to a Nevada retirement by the

pioneering sister.

Ten years ago Terry Murphy left Brooklyn for Nevada to join her parents and sister. Others followed.

"Between my family and my husband's family, at least 40 of our relatives have moved here since my sister came in 1973," Murphy said. "That's a multiplier for you."

The Washington Post

January 12, 1990, Friday, Final Edition

SECTION: FIRST SECTION; PAGE A3

LENGTH: 942 words

HEADLINE: American Journal;
In Roll of the Dice, Las Vegas Offers Family Fare

SERIES: Occasional

BYLINE: T.R. Reid, Washington Post Staff Writer

DATeline: LAS VEGAS

BODY:

There's a gaudy new show in this neon-washed resort city, and people are lining up by the hundreds along the strip to see the spectacle. But this production doesn't involve Frank Sinatra, Joan Rivers or troupes of dancing girls in pink flamingo plumes.

The hottest new attraction here in Glitter Gulch is a 55-foot man-made volcano that blows its top every 15 minutes at night with a fusillade of fire and brimstone, shooting flames 40 feet high and wafting huge clouds of pin

a-colada-scented steam over astonished passersby on Las Vegas Boulevard.

"Only in Vegas," snorted Michael Hudspeth, a local resident standing in the large crowd that gathered to watch an eruption one night this week. "I mean, only in Vegas would a guy build himself a nice new hotel and then say, 'I think I need a 60-foot volcano shooting off every few minutes in my front yard.' "

Ever since mobster Benjamin "Bugsy" Siegel erected the first oversized neon sign outside a casino here in 1931, Las Vegas has been writing the book on wretched excess. And the **Mirage resort** hotel -- with an erupting volcano out front, live albino tigers in the lobby and a school of dolphins bobbing beneath man-made waterfalls by the swimming pool -- looks at first like one more chapter in that familiar volume.

But to local business leaders, the huge new Mirage, whose 3,029 rooms make it the biggest hotel in the free world, reflects a major change underway in this legendary sin city.

With the coming of the Mirage and several other new hotels that emphasize features other than all-night gambling and half-nude chorus lines, Las Vegas is trying to give itself a PG rating, to become a spot for family vacations.

The Mirage, says its developer, Stephen A. **Wynn**, is designed to be "a property which would help set a new direction for Las Vegas, one which would appeal to the entire family audience."

Gambling remains the economic mainstay. Indeed, the casino in the Mirage is big enough to stage two football games side by side, and the hotel issues its own \$ 500 coins so gamblers won't have to carry an unwieldy wad of paper money. But **Wynn** says his new place, which drew 100,000 visitors on opening day seven weeks ago, is "a resort hotel which includes a casino, not a casino which includes a hotel."

"This town is not a mafia center, it's not a sin city as it used to be seen," says Richard Etter, chairman of Las Vegas's big Valley Bank. "It's coming to be an adult Disneyland, a family recreation area That's what the Mirage and the other places are leading to."

The "other places" about which Etter is talking are new family-resort-cum-casino establishments under construction here, places that will be even bigger than the leviathan Mirage. When the current building boom is completed in about four years, Las Vegas will have four of the world's five biggest hotels. The biggest is the Rossiya in Moscow.

A few blocks down the strip from **Wynn's** erupting volcano, the owners of the Circus Circus casino are building a hotel-casino-zoo-theme park combination called "Excalibur" that is to have 4,000 rooms and parking for 5,000 cars. When it opens this June, visitors can gamble while surrounded by a Camelot-style fantasy land, complete with medieval knights jousting each afternoon.

But even Excalibur will take second place -- in sheer size, at least -- to the new combination of casino, movie studio and theme park proposed by MGM, the entertainment conglomerate that already runs a huge casino here. The MGM resort will have 5,000 rooms and be aimed squarely at the same family trade spending its travel money at places such as Disney World.

With all that bustling, the city's image-makers are diligently trying to change the popular picture of Las Vegas as a land of hard-drinking high-rollers sporting multi-carat diamond pinkie rings.

The local tourism board has run television ads across the western United States touting this city as "the American way to play." The commercials show golf courses, concerts and nearby Hoover Dam but nary a blackjack table nor bubble dancer.

Except for its sprawling casino, which includes a separate area called the "Salon Prive" where the minimum bet on any game is \$ 1,000, The Mirage has the feel of a theme park. Arriving visitors are carried along on a moving sidewalk while a friendly voice lists sights to be found in the hotel, including the enormous room where the white tigers live and the 60-foot-long wall-sized aquarium, habitat of four sharks and assorted marine exotica.

Having walked past all of that and traversed the indoor jungle, with orchids and bougainvillea blooming in profusion beneath 80-foot palm trees, the visitor finds an attractive hotel. His room, one of the establishment's cheapest at \$ 159 a night, was large, brightly colored and comfortable.

Wynn says he spent more than \$ 600 million building the Mirage, financing the place with junk bonds through controversial financier Michael Milken. Local scuttlebutt, which **Wynn** won't confirm or deny, holds that the hotel's expenses and interest payments exceed \$ 1 million a day. If the project turns out to be a success, according to a local banker, the Mirage should make that much on gambling operations alone.

After all, family resort or not, Las Vegas is still place where the urge to gamble runs deep. That was evident one night when two men strolled up to the hotel's two-block-long man-made lake, hoping to see the next eruption of the volcano.

"I'll wait 10 minutes for this thing, and that's all," the first man said. "Ten minutes? Fine," the second said. "And I'll bet you a hundred it goes off before then."

Chicago Tribune

November 12, 1989, Sunday, FINAL EDITION

SECTION: BUSINESS; Pg. 14D; ZONE: W

LENGTH: 676 words

HEADLINE: 30-story, \$630 million 'joint' ready to wow Vegas gamblers

BYLINE: By Robert Macy,

DATELINE: LAS VEGASLEAD: Steve **Wynn**, the golden boy of Nevada gaming, is putting the finishing touches on his \$630 million **Mirage resort**, just down the Strip from where this city's glitz ignited his imagination 37 years ago.

BODY:

Steve **Wynn**, the golden boy of Nevada gaming, is putting the finishing touches on his \$630 million **Mirage resort**, just down the Strip from where this city's glitz ignited his imagination 37 years ago.

Employees began reporting for orientation earlier this month to work out the kinks before the doors open to the public Nov. 22. The Sugar Ray Leonard-Roberto Duran fight follows at the resort Dec. 7.

Wynn's 30-story showplace cost more than 100 times the value of the cluster of casinos that dotted the Strip when he first visited here in 1952. And it has sparked a multibillion-dollar building boom unprecedented in the city's history.

New resorts are popping out of the desert and renovations and expansions are under way at many of the city's older properties.

Some operators admit privately they're fixing up and adding on because of the challenge of the 3,049-room Mirage.

Wynn, 47, is the majority shareholder of Golden Nugget Inc., which owns the Mirage. Sometimes he refers to the Mirage as "the joint," a throwback to the jargon of another era when his father, Michael, dreamed of opening a bingo parlor in this growing gaming town.

Other times he refers to the Mirage as an "experience" or a "wonderment the world will flock to see."

Guests arrive via a palm-lined entry that features a 54-foot volcano, three lagoons and waterfalls - hardly your typical desert environment. The lagoons and waterfalls are fed by pipes that pump 100,000 gallons of water a minute.

Valets whisk arriving cars into a labyrinth of tunnels under the resort.

"Just like a James Bond movie, huh?" **Wynn** joked as his Mercedes whipped along the underground maze during a pre-opening tour.

The top five floors of the 30-story resort contain 260 penthouse suites for coveted casino customers. And for his "stratosphere" players, **Wynn** has six ground-level private bungalows, complete with their own swimming pools.

The swimming pool is a quarter-mile around and nearby is a dolphin habitat approved by the National Marine Fisheries Service.

Registering guests will find themselves facing a giant fish tank whose inhabitants include 4-foot sharks.

"The sharks will, of course, prompt a lot of bad jokes about what will happen if you don't pay your markers," **Wynn** said.

The casino covers the space of two football fields, but will be broken up by thatched huts containing such operations as the cage, the pit and a bar to make the area appear more intimate.

In one area of the casino, customers can play nickel slots and order pizza or pasta. Nearby, a small room provides "stratosphere" customers their own private casino, with \$1,000 chips the smallest available.

"We'll let you gamble there as high as you've got the nerve," **Wynn** promised.

The hotel's 1,500-seat showroom will feature illusionists Siegfried and Roy, who returned earlier this month from a tour of Japan and a stint at Radio City Music Hall in New York City.

The volcano and waterfalls in front of the Mirage are designed to block the view of other resorts across the Strip.

"I'm burned out on neon," said **Wynn**, whose Golden Nugget Hotel in downtown's Glitter Gulch is also void of any neon. "I think it's cheap. To me, neon is yesterday Las Vegas."

It was the neon that captivated **Wynn** in 1952 when he came to Las Vegas with his

father, who hoped to start a bingo parlor in the city. Old-time gaming figures blocked the elder **Wynn**, sending him and his son home to Maryland, nursing busted dreams.

Wynn later returned to Las Vegas, bought an interest in the Frontier Hotel, then bought stock in the Golden Nugget and eventually took control of the Nugget.

Wynn is confident his new property will be profitable, despite the high cost, saying it can earn the necessary \$1 million a day.

Wynn said the high-rise came in on budget despite some guesswork on exotic frills.

"What we could not budget intelligently was the atrium, the volcanoes. There was no way of knowing those costs in advance. What do you do? Look under the Yellow Pages for volcanoes?"

The Associated Press

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November 12, 1989, Sunday, AM cycle

SECTION: Business News

LENGTH: 760 words

HEADLINE: Opening Near for Golden Boy's \$630 Million Vegas Resort

BYLINE: By ROBERT MACY, Associated Press Writer

DATELINE: LAS VEGAS

BODY:

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Donald Trump's new 1,200-room Taj-Mahal in Atlantic City is expected to cost \$1.2 billion when completed next year. **Wynn** says his Mirage would have cost \$1.5 billion to build in Atlantic City or New York City, where construction costs are higher.

Wynn, who's had off-and-on battles with Trump, said he wants to be known as a hotel operator, not "the star."

"I want people to say that Steve **Wynn** built the best hotel in the world. I don't want to say I own it. I want to be the guy that designed it. That's my edge."

Forbes

January 1, 1996

SECTION: ON THE COVER; The 48th Annual Report On American Industry; Pg. 163

LENGTH: 329 words

HEADLINE: Still on a roll

BYLINE: W. G. F.

BODY:

It's a lot easier to make money on casinos than in them. And Steve **Wynn**, chairman and president of \$ 1.3 billion (revenues) **Mirage Resorts**, has the hot dice -- and the strongest balance sheet on the strip.

Wynn's Mirage, Golden Nugget and Treasure Island in Las Vegas, and Golden Nugget in Laughlin, Nev., set the standards in service and attention to detail.

In casinos the name of the game is grow or die, and Mirage has been doing very well on that score. Its 23.2% five-year average sales growth tops our hotel and gaming category, and the company has a number of big projects in the works.

In Las Vegas, two Mirage properties are under construction at the former site of the Dunes hotel. The first is a joint venture with Circus Circus Enterprises, called Monte Carlo, a 3,000-room hotel and casino expected to open in July of 1996. It will have a French belle epoque theme and aim for the low-budget customer.

The other is the 3,000-room Bellagio resort and casino, to open near the start of 1998 at an expected cost of \$ 1.1 billion. This project is themed as a small lakefront

Italian town with its own 2-acre manmade "lake." It will be the dominant high-end property in Las Vegas.

Although Mirage lost its bid to open a casino in Bridgeport, Conn., the project was later killed. This elimination of a potential competitor for the New York metropolitan market was good news for Atlantic City gaming interests, including Mirage. Atlantic City has been outpacing Las Vegas lately. Atlantic City casino revenues grew 9% in the first nine months of 1995, compared with Vegas' 4.5%. Mirage's new Atlantic City project, due to open in late 1998, will be situated on 178 acres in the marina district and have 2,000 rooms. Mirage also plans to build a 1,000-room Golden Nugget in Biloxi, Miss., due to open in 1997.

In 1994 the company earned \$ 1.32 per share; the conservative estimate for 1995 is \$ 1.70; for 1996, with new capacity available, \$ 1.85.

The New York Times

View Related Topics

December 18, 1995, Monday, Late Edition - Final

SECTION: Section B; Page 12; Column 1; National Desk

LENGTH: 2363 words

HEADLINE: Gambling's New Winnings: A Special Report;
Gambling Owners Spend Lavishly To Gain a Voice in Many States

BYLINE: By KEVIN SACK

BODY:

In only five years, the gambling industry has bought its way into the ranks of the most formidable interest groups in American politics, spending huge sums to gain the kind of influence long wielded by big business, big labor and organizations of doctors and lawyers.

From the Empress riverboat casino in Joliet, Ill., to the Mashantucket Pequot tribe in Ledyard, Conn., gambling interests, which now run casinos in 24 states, have used vast profits gleaned from their craps tables and slot machines to fatten the campaign coffers of political candidates and wage multimillion-dollar lobbying offensives.

While state officials have been the primary beneficiaries of the industry's largesse, there has also been a surge in contributions to Federal and local officeholders.

Gambling-financed political action committees gave three times as much to Congressional candidates and the national parties in the 1993-94 election cycle as they gave in the previous two years, according to Common Cause and the Center for Responsive Politics, two Washington-based organizations that monitor campaign financing. The \$2 million total for the cycle put the industry in the same league as long-established interest groups like the United Automobile Workers, which gave \$2.4 million, and the National Rifle Association, which gave \$2.2 million.

At the state level, meanwhile, the rising tide of gambling money has in many places

become a flood. In Florida last year, pro-gambling forces spent \$16.5 million in an unsuccessful effort to win approval of casinos in a referendum. That sum was almost as much as the state's two gubernatorial candidates spent combined.

In other states, the industry's wealth has allowed it to outspend its opponents by as much as 50 to 1. In the process, that wealth has contributed to major corruption scandals in Louisiana, Missouri, Arizona, Kentucky, South Carolina and West Virginia, all since 1989, when legalized gambling began its cross-country expansion.

Perhaps most significant, the torrent of dollars has rapidly eroded a longstanding stigma against the intermingling of gambling and politics.

"Twenty years ago, if you got support from gambling interests it would have been the kiss of death," said one Federal lawmaker, Representative Frank R. Wolf, a Virginia Republican who opposes the continued expansion of gambling. "If you were running for office in Illinois or Iowa and got money from gambling interests, you wouldn't want to tell your brother or mother."

Noting that today's casinos are run by Indian tribes and Fortune 500 companies, not mobsters, gambling industry officials assert that it is only natural for a heavily regulated, high-growth business to play an active role in politics, just as public utilities and tobacco companies do.

"The only industry that is more regulated is the nuclear power industry," said Mark B. Edwards Jr., a gambling analyst for the State Capital Resource Center, a private group that monitors political developments for casino companies. "Therefore, it's more important for the gaming industry to flex some political muscle. A lot of it is the nature of the beast."

The gaming industry has focused its lobbying campaigns on state capitals, where governors, lawmakers and regulators hold the authority to determine whether to expand gambling, which companies will get gambling licenses and vending contracts, and how extensively gambling will be taxed and controlled.

Gambling opponents say the abundance of lobbying money, and the promise of bountiful tax revenue, has helped the industry move its operations into impoverished communities, with little attention paid to social consequences.

A backlash has begun to emerge in which grass-roots anti-gambling drives in some states have managed to neutralize the influence of big money. But that is no easy task. In the last two years, campaigns to establish or expand legalized gambling in Florida, Missouri, Virginia and Connecticut have spent more money than was ever before spent in those states on any lobbying effort.

During Virginia's legislative session this year, gambling interests hired 48 lobbyists. In Texas, they hired 74, more than two for every state senator and one for every two members of the Texas House.

The lobbyists are often enlisted from the ranks of former public officials. The lobbying payroll in Illinois has included a former governor, a former state attorney general, a former state police director, two former United States attorneys, a former mayor of Chicago and dozens of former state legislators, including a Senate president and a House majority leader.

Two years ago a Nevada casino company, Primadonna Resorts, offered two Illinois lobbyists a compensation package of \$20 million over 20 years if they could reel in a riverboat license. (They have yet to do so.)

For an April 1994 referendum on allowing slot machines in Missouri, committees financed by out-of-state casino companies paid out \$4.2 million, outspending the proposal's opponents by 50 to 1, according to a study by Alfred Kahn, a retired professor of planning at Southern Illinois University, at Edwardsville. The measure failed by one-tenth of a percentage point. Seven months later, the gambling companies were back, this time spending \$11.5 million. The proposal passed with 54 percent of the vote.

The gambling opponents, Mr. Kahn said, "were just overwhelmed by wall-to-wall television commercials."

'It's a Sea Change In the Political Landscape'

Like lobbying expenditures, campaign contributions have been flowing as freely as complimentary cocktails on a casino floor. Only one state, New Jersey, prohibits political contributions from gambling interests.

In Louisiana, gambling interests in 1993 and 1994 gave state legislators more than twice as much as did the petrochemical industry, a study by The Times-Picayune of New Orleans showed.

"I've been told by legislator after legislator that the gambling industry has become the single largest political influence in their states," said Robert Goodman, a professor at Hampshire College in Amherst, Mass., who is the author of "The Luck Business" (Free Press, 1995), a book critical of legalized gambling's spread. "It's a sea change in the political landscape in the states where the gambling industry is operating."

As in many other states that now have casinos, the spending in Illinois has been spurred by competition among gambling concerns whose interests conflict.

Wealthy businessmen who want casino licenses, which now allow casino gambling only on riverboats, are spending hundreds of thousands of dollars a year in campaign contributions to help persuade legislators to expand gambling to Chicago and suburbs. Fearful of new competition, the owners of the state's 10 existing licenses are contributing hundreds of thousands more to protect their monopolies. In doing so, they have placed themselves in an unusual alliance with those who oppose gambling on moral or social grounds.

In Washington, the rise of the gambling industry has created influential power brokers. In a single afternoon last June, Steve **Wynn**, chairman of **Mirage Resorts**, one of the country's largest casino companies, raised nearly \$500,000 for the Presidential campaign of Bob Dole, the Senate majority leader. The fund-raising luncheon, at a posh Las Vegas country club, came one day after Mr. Dole had traveled to Los Angeles to level a withering attack on what he described as the mercenary values of the entertainment industry.

Mr. Dole opposes new taxes on the gambling industry, said his spokesman, Clarkson

Hine, but supports creation of a Federal commission to study gambling's effects. The industry opposes such a commission, believing that it could lead to heightened regulation. But Mr. Hine said Mr. Dole "feels strongly" that regulation should be left to the states.

In any event, **Mirage Resorts** is hardly the only gambling-industry player in the capital. The 370-member Mashantucket Pequot tribe, virtually unknown until it opened the Foxwoods Resort Casino in Ledyard, Conn., in 1992, is one of many others, having given \$465,000 to the Democratic National Committee and \$100,000 to the Republican National Committee from 1991 to 1994.

Gambling money is so abundant that on occasion it reaches out even to the most vocal of gambling opponents, like Gov. Kirk Fordice of Mississippi, where casino operations have been growing for five years.

In 1993, Mr. Fordice accepted \$73,500 in contributions from casino interests, almost a third of all the money he raised that year. Then, beginning last Jan. 1, he swore off accepting any more gambling money, although he declined to return the earlier bounty. The purpose of the new policy, said Andy Taggart, his campaign manager, was to take an issue away from his opponent this year. Mr. Fordice won.

First the Boom, Then a Backlash

It was political money, along with the promise of new tax revenue for recession-racked states, that provided the kindling for the wildfire spread of legalized gambling in the 1990's.

In 1988, only Nevada and New Jersey had casinos. Now, 24 states have casinos on land, water or Indian reservations, and 48 states have legalized gambling of some kind. In the last four years, annual legal-gambling revenue has grown by 50 percent, to \$39.9 billion. That is nearly a quadrupling since 1982, according to an annual survey by Christiansen/Cummings Associates, a consulting firm that specializes in the gaming industry. On average, profit margins are high, ranging from 15 to 20 percent, said Will E. Cummings, managing director of the firm.

"Without the outside influence coming in" to lobby in this state or that, "there would be no spread of gaming," said William N. Thompson, a professor at the University of Nevada at Las Vegas who is co-author of "The Last Resort: Success and Failure in Campaigns for Casinos" (University of Nevada Press, 1990). "The opponents don't get to make their case."

In the last year, though, the industry has suffered several financial and political failures, suggesting that the market for betting may finally be saturated. A casino in New Orleans and riverboats in Louisiana and Mississippi have failed, and voters and lawmakers have rejected the expansion of gambling in a number of states.

Industry analysts say some of the backlash can be attributed to growing revulsion with the amount of gambling money in politics, and to concern about corruption among holders of public office.

In the most recent scandal, the Federal Bureau of Investigation said in August that it was investigating whether video poker operators in Louisiana had bribed lawmakers into killing anti-gambling legislation earlier this year. That inquiry is continuing, but

many of the legislators who are targets of it either have chosen to retire or failed to win re-election this fall.

In Pennsylvania, State Attorney General Ernie Preate Jr. pleaded guilty in June to hiding campaign contributions from operators of illegal video poker games. And from 1989 to 1992, lawmakers in Arizona, Kentucky, South Carolina and West Virginia were convicted of accepting bribes from gambling interests.

Much 'Like a Bull In a China Shop'

Frank J. Fahrenkopf Jr., president of the American Gaming Association, the industry's trade group, told a Congressional committee last month that singling out legalized betting as a corrupting influence was unfair.

"The problem," said Mr. Fahrenkopf, a former Republican national chairman, "is that where there is money, there is the potential for corruption, and that is by no means confined to gaming interests." After listing political scandals from Teapot Dome to Abscam, he added, "To suggest that it is unique to our industry is manipulative, cynical and, frankly, dishonest."

Even when operating within the law, though, gambling supporters have sometimes lacked subtlety.

In 1994, the president of the Louisiana Senate, Sammy Nunez, handed out envelopes to colleagues on the Senate floor, each containing a \$2,500 campaign check from a casino owner. Mr. Nunez lost in a bid for re-election in November.

In Illinois in 1993, Al Ronan, a legislator turned casino lobbyist, pulled lawmakers off the floor and handed them white envelopes containing campaign checks of \$50 to \$300.

"The gambling companies have been like a bull in a china shop," said William R. Eadington, director of the Institute for the Study of Gambling and Commercial Gaming, at the University of Nevada at Reno. "These were companies that did not have the sophistication to understand the nuances of political activity."

Some experts, noting the intense issue that gambling money has become in some states and localities, believe that the industry has turned into its own worst enemy.

Despite devoting \$16.5 million to the referendum on casino legalization in Florida last year, pro-gambling forces were crushed at the polls, 62 percent to 38 percent, at least partly because of voter discomfort with that level of spending.

And given the corruption investigation in Louisiana, candidates for governor there spent much of the race this year trying to trump each other's anti-gambling stands.

Further, after the St. Louis County Executive, George Westfall, accepted more than \$150,000 in contributions from companies competing for a riverboat casino license, the County Council this year approved a ban on the industry's political donations.

In recent months, some casino companies have decided to put a stop to their own multimillion-dollar political wagers.

One such company is **Mirage Resorts**, which spent more than \$10 million in a four-year failed campaign to place a casino in Bridgeport, Conn. "Our company policy right now is that we are not going to go out in any jurisdiction and actively lobby to change any law, to actively try to convince people," said Richard D. Bronson, a member of Mirage's board and president of the company's development arm. "Look what happened in Connecticut."

Alan M. Feldman, Mirage's vice president for public affairs, added: "It has told us that this isn't our bag. We're just not political animals."

SEATTLE POST-INTELLIGENCER

May 27, 1995, Saturday , FINAL

SECTION: NEWS, Pg. A3

LENGTH: 356 words

HEADLINE: HEARING JOHN'S VOICE WAS JOLT FOR RINGO

BYLINE: P-I News Services

BODY: Ringo Starr and his old Beatles bandmates felt strange recording a new song with the disembodied voice of John Lennon.

The good news for Beatlemaniacs, though, is that "Free as a Bird" "really sounds like a Beatle track," the drummer said Thursday in New York.

The Beatles "could have made this in 1967," he said.

Starr joined Paul McCartney and George Harrison in working around an old Lennon vocal to create the new recording, one of two featured in a Beatles documentary airing in November.

Hearing Lennon's voice on tape wasn't easy, Starr said.

"It was pretty emotional," he said. "We had to feel that he's gone for a cup of tea, that he's gone on holiday, but he's still there. That was the only way I could get through it."

- - -

She could turn the world on with her smile. So what effect would Mary Richards have in her undies?

Oh, Mr. Grant: Looks as if we'll find out next year.

Mary Tyler Moore will cavort in her underwear in a scene in the movie "Flirting With Disaster."

Moore won the role after arriving "dressed very sexily" for a meeting at a hotel, the director, David Russell, said in the June issue of GQ magazine.

Russell, mindful of Moore's wholesome image, originally wanted to cast her in a less provocative part. But the 57-year-old actress lobbied for the role, he said.

"Mary is not walking around the whole movie like some Marilyn Monroe type," Russell said. "We had a lot of conversations about it, and the role is not some cartoon."

Moore's publicist, Wendy Morris, confirmed yesterday that "there is a rather racy scene, where she's in bed with her husband, wearing a bra and panties."

-- --

The theater at the Mirage hotel in Las Vegas has been renamed for Siegfried & Roy because of the magic they've worked at the box office.

"I can't imagine where The Mirage would be without Siegfried & Roy," **Mirage Resorts Inc.** Chairman Steve **Wynn** told stockholders Thursday. "None of this happens by magic or by accident."

Wynn said the illusionists have drawn 3.6 million people and generated \$250 million in revenue since they began performing at the resort in 1990.

Forbes

April 24, 1995

SECTION: THE FORBES 500; Pg. 352

LENGTH: 17078 words

HEADLINE: Where to find the Forbes 500s

BODY:

A

Abbott Laboratories

100 Abbott Park Road

Abbott Park, IL 60064-3500

CEO: Duane L Burnham

Drugs

708-937-6100

Fax: 708-937-1511

Adobe Systems

PO Box 7900

Mountain View, CA 94039-7900

CEO: John E Warnock

Computer software

415-961-4400

Fax: 415-961-3769

Advanced Micro Devices

PO Box 3453

Sunnyvale, CA 94088-3453

CEO: Walter J Sanders III

Computer peripherals

408-732-2400

Fax: 408-774-7010

Chicago Tribune

March 20, 1995 Monday, NORTH SPORTS FINAL EDITION

SECTION: BUSINESS; Pg. 6; ZONE: W

LENGTH: 944 words

HEADLINE: MIRAGE OWNER CREATING A VEGAS-TYPE FAIRY TALE;
BEST YEAR YET FOR RESORT HOTELS' GAMBLE ON GLITZ

BYLINE: Associated Press.

DATELINE: LAS VEGAS

BODY:

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Los Angeles Times

View Related Topics

March 14, 1995, Tuesday, Valley Edition

SECTION: Business; Part D; Page 3

LENGTH: 697 words

HEADLINE: MIRAGE BETTING BIGGER IS BETTER;
RECREATION: STEVE **WYNN** HAS BUILT TWO OF THE WORLD'S LARGEST HOTELS
AND IS PLANNING TWO MORE.

BYLINE: From Associated Press

DATeline: LAS VEGAS

BODY:

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Associated Press Worldstream

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March 13, 1995; Monday 19:08 Eastern Time

SECTION: International news

LENGTH: 1033 words

HEADLINE: Steve **Wynn** Has Big Plans for **Mirage Resorts** AP Photo NY451

BYLINE: ROBERT MACY, Associated Press Writer

DATELINE: LAS VEGAS

BODY:

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The Associated Press

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March 12, 1995, Sunday, BC cycle

ADVANCED-DATE: March 8, 1995, Wednesday, BC cycle

SECTION: Business News

LENGTH: 949 words

HEADLINE: Steve **Wynn** Has Big Plans for **Mirage Resorts**

BYLINE: By ROBERT MACY, Associated Press Writer

DATELINE: LAS VEGAS

BODY:

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The Washington Times

March 5, 1995, Sunday, Final Edition

SECTION: Part E; TRAVEL; Pg. E2

LENGTH: 944 words

HEADLINE: Las Vegas growth is a sure bet

BYLINE: Marcia Levin; SPECIAL TO THE WASHINGTON TIMES

BODY:

Las Vegas is a numbers game.

Not just at the roulette wheel, craps or blackjack table or in the sports book at any of the major hotels. No, the biggest numbers in Las Vegas concern the city's unprecedented growth. Those digits mean the desert destination is big business.

Tourism figures for 1994 are up 19.8 percent. Gaming numbers also increased last year. Last year's explosion of new hotels - 10,000 rooms opened at MGM Grand, Treasure Island and Luxor - and renovations at the other established hotels were a major factor.

Hotel rooms now number more than 87,000, more than any U.S. metropolitan area. The projected number by the turn of the century is 123,000 rooms.

An estimated 27 million passengers passed through McCarran International Airport in 1994, an increase of more than 17 percent compared to the 22.5 million passengers who used the airport the year before.

Population of Las Vegas (Clark County) is expected to near the million mark by the end of 1996. And the number of companies relocating to Las Vegas from California was up 20 percent from the 1993 level.

It's no mystery that one of the city's newest attractions - "Mystere," Cirque du Soleil's production at Steve **Wynn's** Treasure Island Hotel - is one of the strip's biggest draws. Tourists from all over the world flock to the show.

"Mystere" opened officially in January 1994 and has helped change the face of entertainment throughout Las Vegas. Mystere has been created by Cirque du Soleil's original production team: artistic director Gilles Ste.-Croix; director Franco Dragone; composer Rene Dupere; choreographer Debra Brown; costume designer Dominique Lemieux; set designer Michel Crete; lighting and special effects designer Luc Lafortune and sound designer Jonathan Deans. Three additional creators have been hired for the Treasure Island production: Pavel Brun, Basil Schoultz, and Michael Moschen.

If you don't recognize "cirque," the French word for "circus," the smell of popcorn in the air is a dead giveaway. The show - a blend of mime and magic, ballet and burlesque, acrobatics and art - features 70 performers from around the world. There are stilt-walkers and jugglers, hand-balancing acts and comics. The result is world-class entertainment.

The first Cirque du Soleil was created 10 years ago in Quebec.

"Cirque is the ideal complement to Treasure Island," says Steve Winn, chairman of the board of **Mirage Resorts** Inc. "Our international guests will find Cirque to be a special delight with no language or cultural barriers. People from all over the world will enjoy the wonder and pleasure to be found at a Cirque performance."

Time Magazine stated that "the grand ethereal Cirque du Soleil is really primal theater, an age-old blend of music and motion. . . . It's an out of Broadway experience."

Mr. Winn created a 1,525-seat theater at his Treasure Island Hotel specifically for the show. The theater has a 36-foot diameter ring with a revolving turntable that can rotate at speeds up to 10 revolutions per minute. Cirque combines technology and circus skills and includes a computer-controlled hydraulic rigging system, providing movement for all acts.

The theater is dark on Monday and Tuesday. Two shows each night are scheduled at 7:30 and 10:30. Tickets are \$57.20 for adults and \$28.60 for children under 12.

From March 11 to Sept. 11, "Saltimbanco," an earlier production which also played in the Washington area last year, will be presented in Tokyo, representing Cirque's second visit to Japan.

And there's still more that's new in Glitter Gulch:

- * A toll tale: The Federal Bureau of Land Management says it will begin charging \$5 per car for visitors driving into Red Rock Canyon National Conservation Area, an extremely popular scenic area west of Las Vegas. Known for their vivid red stripes, the rocks look as though a drunken monster had gone on a binge painting the town red with bold, broad strokes. Monies collected will be used to offset costs of managing the natural wonder.

- * Hotel hype: Steve **Wynn** is planning to build a 50-acre lake and erect the "world's most romantic hotel" on a 17-acre island at his new Beau Rivage (where the Dune stood until 1993.) The full-service resort is due in late 1997, and spokesman Alan Feldman says it will be more upscale than the Mirage, offer "the excitement and dynamism of this market" and nonstop romantic details. The Beau Rivage will be marketed to the sophisticated traveler who likes the finer, more elegant amenities found in posh hotels on out-of-the-way Caribbean islands.

- * Where's the turkey? Cranberry World, outside of town opened in mid-January. Believe-it-or-not, Cranberry World is an Ocean Spray-sponsored theater, exhibit hall, museum, juice sampling center, demonstration kitchen and gift shop. It's Thanksgiving every day.

- * Way back: Forum Shops at Caesars may open the world's first permanent large-

scale 3-D ride next year. "Back to the Future" will be enclosed in a dome theater with an 82-foot hemispherical screen. Imax Corp. and Forum Venture Partners will develop the theater and build the simulator ride.

* Animal story: If you think all the animals are in the casinos, take a short ride to the Southern Nevada Zoological Botanical Park on Rancho Drive and see the tigrina, a small tropical cat. The only park in North America exhibiting this endangered species also has an African lion, Bengal tiger, Barbary apes, monkeys, wallabies, flamingos, a king vulture and more.

Forbes

October 17, 1994

SECTION: THE FORBES FOUR HUNDRED; Pg. 76

LENGTH: 3204 words

HEADLINE: Inherited talents

BYLINE: By Frank Wolfe

HIGHLIGHT:

No longer mob-controlled, Las Vegas is today largely dominated by families with deep roots in the gambling business. More and more of them are sliding onto The Forbes Four Hundred.

BODY:

"GET THEM before they get you." We had just asked Ralph Engelstad what lessons he had learned as a varsity hockey player that had come in handy in business. The bluntness of the reply rather startled us, but then so had the man's garb and his office decor. This centimillionaire was wearing a short-sleeved bright red shirt and sported a diamond pinky ring. On the wall to the left of his desk was displayed a bull's penis stretched out to resemble a cane.

Deftly and ruthlessly applying that hockey-learned philosophy, Engelstad is one of six members of The Forbes Four Hundred who made their killing in Las Vegas and other Nevada spots.

Odds are that several mentioned here will make the list in the near future. These men come from assorted backgrounds. There's Engelstad, grandson of a Norwegian potato farmer and a native of Thief River Falls, Minn. There's the son of a onetime Basque shepherd, John Ascuaga. There's the son of a Dallas mule trader, Jack Binion. Peter Thomas, a Mormon, is the son of a Utah banker. Frank Fertitta III is the son of an Italian-American who started his gambling career after a stint as a hotel bellhop. William Boyd is the great-grandson of a Scotsman who reputedly played poker with Jesse James.

In America's postindustrial age, gambling is a growth business. Today there are 90 publicly traded gambling companies; five years ago there were only 30. Nevada's fiscal 1994 hold (what the house keeps from the total amount gambled, or handle) was up a solid 10.4%, to \$ 6.7 billion, out of a total handle of \$ 87 billion. The giant new MGM Grand and Luxor and Treasure Island gambling palaces are drawing tens

of thousands of awestruck customers.

Is the economy slowing? Not here. Vegas expects total visitors to be up 25% this year.

Not much surprise that there are now six gambling magnates among the The Forbes Four Hundred, a gain of two over last year. One dropout is John Connelly, head of President Riverboat, with its Mississippi riverboat casinos.

Ralph Engelstad

A refugee from the North Dakota construction trade, Engelstad started in Las Vegas as a home builder and made an early killing when he sold what is now the North Las Vegas Air Terminal to Howard Hughes for \$ 5.7 million. In 1971 Engelstad bought "an old, rundown motel" directly across from Caesars Palace, on the Strip. Down it went, and in its place rose in 1974 the Imperial Palace.

Now this was more like it. No haggling with subcontractors, no fretting about interest rates, no worry about delivery of materials. Gambling was a cash business, few receivables. Customers give you money; you give some of it back, on an irregular schedule to keep them interested.

Of course, you have to make sure customers are having a good time, and entertainment can get expensive. But Engelstad doesn't book Sinatra. The Imperial Palace buys cheap entertainment: a collection of 250 antique autos; the twice-nightly "Legends in Concert" show, a staging of Elvis/Liberace/Madonna/Sammy Davis Jr. impersonators for \$ 23.50 a ticket (two drinks included).

Rather less hard on margins than, for example, the ship outside the new Treasure Island complex, where a buccaneer battle is staged amid a tremendous light show.

Engelstad takes in an estimated cash flow of \$ 50 million a year. "We're looking at Middle America," says Engelstad -- the Circus Circus market. His room rates start at \$ 55 per night and go to \$ 500 for a penthouse suite. "We don't lease any signs. We don't lease any slot machines. We don't lease anything. We own it, and it's paid for."

Also paid for are assets bought with Vegas profits: 4 million square feet of property in Texas and elsewhere, and two Boeing 727s equipped with beds, living rooms, showers and bars. "Sometimes debt is good," he says. "I just don't happen to be in the position where I need debt."

Engelstad is at the office by 9:30 a.m. and says he quits around midnight. The workload is not getting lighter, he says, as he prepares for the opening early next year of a 254,000-square-foot floating casino, part of a \$ 110 million complex that includes a hotel and six movie theaters in Biloxi, Miss. If it works, fine. If not, it's about two years' cash flow. Either way, he's secure. "Ain't no stockholders, ain't no goddamn bondholders, ain't no friggin' mortgage holders that are going to bounce us out."

William Boyd

Boyd, another gambling magnate newcomer to The Four Hundred, is taking a flier on a riverboat out of Tunica, Miss., but nothing that could put a drain on his Vegas operation. He has the Fremont and the California downtown, the Stardust on the Strip, Sam's Town on the Boulder Strip (which serves residents on Vegas' East Side

and Arizona tourists) and the Eldorado and Jokers Wild in Henderson, just south of Vegas. The company plans another downtown casino, Main Street Station, next year,

Boyd Gaming went public last October at 80 times earnings. It sold 4.6 million shares at 17, hit a high of 26 three days later, then tanked -- to a recent 13. But who cares about that? Even at the current price Boyd, 62, still has stock worth \$ 325 million. Meanwhile, he is banking not on Tunica but on the Fremont Street Experience, a \$ 63 million metal mesh canopy over Fremont Street in downtown Vegas due to be completed next year. The canopy will create, in essence, one giant casino, featuring a misting system to cool visitors in summer, 32 kiosks, a light show and retail shops. Under the canopy will be one of Boyd's two downtown casinos. Boyd and other casino owners have kicked in \$ 24 million; \$ 39 million more will come from hotel taxes.

Bill Boyd figures that the game isn't over. "Only about 20% of Americans have been in a casino," he observes. Boyd has his dockside Tunica casino -- 1,800 slots and 70 table games, four restaurants and a 1,400-seat theater -- and minority interests elsewhere. But Vegas is his mainstay.

Gambling is, almost literally, in the Boyd blood. Boyd's paternal great-grandfather was in with Jesse James. Sam Boyd, Bill's father, was orphaned at 8, and quit high school to work on the gambling ships anchored off the coast of California in the early Thirties.

In 1941 Sam arrived in Las Vegas, which legalized gambling in 1931, with \$ 30 in his pocket. He found a town of 10,000 and one hotel on the Strip. Sam, his sister and his wife worked at the Jackpot, then owned by Nate Mack, a founder of the Bank of Las Vegas with the Thomas family, whom we'll meet later. Sam invented a penny roulette game, and his sister helped him run it.

In 1947, after mobster Bugsy Siegel was gunned down, Sanford Adler and Charles Resnik (two old-time Vegas hands) bought 50% of Bugsy's Flamingo Hotel and hired Sam Boyd to represent their interests. Mobster Meyer Lansky owned the other 50%, Bill Boyd says. Sam Boyd personally steered clear of the mob. "He did his job and didn't have a problem," says Bill. "You had to live with the mob, but you kept them at arm's length."

In 1974 Sam's son Bill, a lawyer, made gaming a full-time career when he and his father sold their interest in another casino, and with a \$ 4 million loan from Security Pacific (that bank's first casino loan) built their own California Hotel. Security Pacific was wary about lending to a casino -- most banks were -- but Sam's clean reputation and the fact that Bill was a director of the Nevada State Bank made a difference.

The California is a niche player, catering to people from Hawaii and attracting them in droves with cheap airfares and tour packages. Now the Boyds are adding 146 rooms to the 635-room hotel and will reopen the nearby Main Street Station around the time the Fremont Street Experience opens next year. Banks have learned to love casinos, in part thanks to their early experience with the Boyds.

In early 1984 the Nevada Gaming Control Board recommended them to operate the Stardust on the Strip, a property formerly tainted by Teamsters loans and other mob connections. With a \$ 185 million bank loan Boyd Gaming bought the Stardust and the Fremont Hotel from an associate of ex-Cleveland mobster and Vegas hand Moe

Dalitz. Sam died in 1993, but Bill carries on.

Peter Thomas

The Thomases are a Mormon banking family from Utah. E. Parry Thomas was the first Nevada banker to lend to casinos. In the 1960s and 1970s his Bank of Las Vegas (later the Valley Bank of Nevada and now the Bank of America Nevada) was also the disburser of Teamsters Pension Fund loans to casinos. Peter Thomas, now president of the bank, acknowledges that his father associated with some mobsters, but was not financially involved with them. "Because my father was the only bank that would lend money to the industry, the good guys protected the bank from the bad guys to a great extent," Peter Thomas says. Valley Bank had a corner on the Vegas casino market, until the entry of other banks in the 1970s.

In 1992 Valley Bank merged with Security Pacific and Bank of America to create Bank of America Nevada. Today Peter Thomas, 45, and his family own an estimated \$ 100 million worth of BOA stock. With such powerful backing, Thomas can now make megaloads -- for example, a \$ 750 million line of credit to Circus Circus and over \$ 400 million to **Mirage Resorts**.

Is BOA Nevada worried about competition now that casino lending is respectable? Not very. "The profitability of these new ventures is going to be flattening out," says Warren Prostrullo Jr., BOA Nevada's senior credit officer, "and these banks are going to be jumping into these credits precisely at the wrong time."

Stephen Wynn

Wynn, 52, is getting close to making The Forbes Four Hundred, with an estimated net worth of \$ 285 million. **Wynn** first came to Vegas as a 10-year-old, when his father was managing the bingo parlor at the Silver Slipper. The parlor failed, but **Wynn** was hooked. During weekends and summers off from the University of Pennsylvania, **Wynn** worked at his father's bingo parlor in Maryland.

In 1966 he was introduced to an owner of Vegas' Last Frontier casino and was invited to buy points in the Frontier: 3% for \$ 45,000.

When the Frontier owners were forced to sell after evidence surfaced that management had been infiltrated by the Detroit mob, **Wynn** took his share of the proceeds and went into the liquor business, becoming supplier to many of the Vegas hotels and casinos. In 1971 he bought a parcel of land next to Caesars Palace for \$ 1.1 million and flipped it to Caesars for \$ 2.25 million.

With the cash, plus Valley Bank loans and the sale of his liquor distributorship, **Wynn** bought 6% of the Golden Nugget casino in downtown Vegas. In the spring of 1973 Jerome Zarowitz -- "a man of notorious reputation," in the words of Philip Hannifin, then chairman of the state Gaming Control Board -- sold 52,000 of his shares in Golden Nugget to **Wynn** as part of a state-mandated liquidation of Zarowitz's holdings in Golden Nugget.

Wynn walked into a Golden Nugget board meeting in June 1973 wearing jeans and eating a hamburger. Some older board members gasped. **Wynn** calmly informed the board that some employees were on the take. Maybe they should let **Wynn** run the company and fix that. The board went along. In August 1973 **Wynn** became chairman of Golden Nugget, which later became **Mirage Resorts**, today a leading Vegas casino/entertainment company.

Wynn, as Peter Thomas describes it, brought Disney to Vegas. "His idea," says Thomas, "is to take a person and transport him out of his everyday environment into another world, which is what Walt Disney did." Thus did he create an ambience attractive not just to gamblers but to a whole population seeking escape and fantasy.

Jack Binion

Jack Binion, 57-year-old owner of Binion's Horseshoe downtown, caters to gambling's carriage trade, people like Saudi business magnate Adnan Khashoggi. In Binion's World Series of Poker, the winner gets at least \$ 1 million cash and a 14-karat bracelet with his or her name inscribed. (This year, for the silver anniversary of the tournament, Binion added another trophy: the World Champion's weight in silver. Warner Russ Hamilton, a Vegas professional, bent the scale at 330 pounds, costing Binion \$ 28,512 in silver ingots.)

"I'm after the guy that's a serious gambler who understands odds," says Binion. "He's not looking for as much amenities, although we've got good, basic amenities."

Binion indeed offers good odds, boasting a 98% payback on slot machines as against the more usual 95%. For every \$ 100 played, a bacearat gambler gives up 63 cents at the Horseshoe, versus \$ 1.25 at other casinos. Value and the Horseshoe's nostalgic atmosphere (wood construction, old-time decor) make it, nearly 24 hours per day, a gambling whirlwind. Binion's father, Benny Binion, came to Sin City in 1946 with \$ 2 million in cash in two suitcases, liquid capital from his days as a Dallas mule trader, bootlegger and gambler.

In 1951 the cider Binion bought the Eldorado downtown and renamed it Binion's Horseshoe. Two years later he went to jail for tax evasion and was a suspect in the murder of a rival, Herb Noble.

There were other scandals, but never mind: Annual cash flow on the Horseshoe has hit \$ 15 million to \$ 20 million in the last several years, supporting an estimated net worth for the Binion family of around \$ 200 million. With his cash flow from the Horseshoe, Jack is also expanding into riverboats. But carefully: He favors Louisiana, where the limited number of licenses should dampen competition.

John Ascuaga

Each morning at 7:15 a.m. 69-year-old John Ascuaga, estimated net worth near \$ 200 million, leaves his home in Genoa, Nev. in his red-and-white Chevy pickup and drives 42 miles down I-395 to the casino he's built -- John Ascuaga's Nugget in Sparks, a suburb of Reno.

The Reno market can resemble Vegas: nearly 25,000 guest rooms and aiming to be a destination market. Though the Reno/Sparks market is flat right now, Ascuaga is very likely making over \$ 20 million in annual operating cash flow. High-yielding dollar slots are Ascuaga's big moneymaker. And the food is good. Ascuaga provides beef from his three ranches in Nevada and California to the eight restaurants in the Nugget.

Ascuaga's father came to the small town of Caldwell, Idaho from the Basque region of Spain in 1906, to herd sheep here. Ascuaga worked his way through the University of Idaho and Washington State's graduate program in hotel management. In 1955 he began working in the Sparks Casino Cafe, a 60-seat coffee shop with a

few slot machines, across the street from the present casino.

Ascuaga feels no wanderlust. No Mississippi riverboats for him. Reno suits him fine. He plans on adding about 800 rooms and renovating some of the cheaper ones among his existing 968. The Nugget draws visitors mainly from northern California, Oregon and Washington. A lot of tourists are elderly day-trippers from San Francisco, where Nugget marketers have worked with travel agents to offer special bus rates. High rollers they are not, but they love the slots, which are set to pay off at a low 90%. At \$ 85 per night his occupancy rate is 96%. He and daughter Michonne Ascuaga, 33, a Stanford M.B.A. and casino senior vice president, see no reason to look anywhere else.

Gary Primm

At his three casinos 40 miles south of Vegas, on the state border with California, Gary Primm catches them as they drive up from Los Angeles or San Diego (*FORBES*, June 6, 1994). Primm pulls 2 million cars per year into the properties, and they leave enough cash behind to put Primm on *The Forbes Four Hundred* this year with a net worth of \$ 340 million; the Primm clan overall is worth more than \$ 600 million. Entertainment? You bet. Whiskey Pete's features the Bonnie & Clyde "Death Car"; Primadonna Resort & Casino has a Ferris wheel and indoor carousel. Buffalo Bill's, opened last summer, has the tallest roller coaster in the world (209 feet high), which passes through the casino. Then there's a water flume ride, a 618-room hotel and four restaurants.

Frank Fertitta III

The Fertitta family's shares in Station Casinos are down from \$ 320 million a year ago to \$ 220 million now (plus the \$ 150 million they took out when it went public in May 1993). Blame the bust on its riverboat Casino St. Charles, operating out of St. Charles, Mo., near St. Louis. In April Missouri voters rejected games of chance on riverboats, so the 387-foot, 3-deck casino opened in May without slot machines. It is allowed only video poker machines and table games, where skill is supposed to be involved. But in Missouri, who understands video poker? So the Fertittas lobby hard. Undiscouraged, Frank Fertitta III, chairman and son of founder Frank Fertitta Jr., has built a second \$ 26.5 million, 292-foot riverboat but doesn't have a place for it yet. For this year's first half, the company reported losses on riverboat operations.

What keeps Station afloat is the Nevada market. Frank Jr. left Galveston for Las Vegas at age 21 and, after a stint as a bellman at the Tropicana, became a blackjack dealer at the Stardust. He scraped up \$ 50,000 and three partners in 1976 to acquire a small casino on the west side of Las Vegas, and in the summer of 1977, the Bingo Palace opened. "The first night we opened, it was mobbed. You couldn't move in here," says Frank III. Today the casino, renamed Palace Station, has 84,000 square feet of gaming space (2,175 video poker and slot machines) and 1,028 hotel rooms. Marketed as "the Local Favorite," it caters heavily to locals and claims to offer better payoff rates for slots than the average on the Strip. Palace Station is a river of cash flow, and Fertitta's new \$ 103 million Boulder Station, on the Boulder Strip, seems to be ramping up nicely. The company also plans to open another casino -- Sunset Station -- in southeast Las Vegas in 1996.

"Our strategy has always been, even before we had the legalization of gaming in all these new markets, to continue to expand here in Las Vegas," says Frank III. Alongside all these is billionaire Kirk Kerkorian's gigantic MGM Grand, with a 5,005-room hotel and a packed amusement park. Kerkorian has \$ 1 billion of MGM Grand

stock. And there are Four Hundred perennials William Bennett and William Pennington, both now mostly cashed out of the Circus Circus picture, as it goes through its well-publicized management troubles.

What has usually busted gambling in this country has been scandal -- from the Revolutionary War's crooked lotteries and Reconstruction Louisiana's lottery skimming to the seemingly ubiquitous role of the mob in American gambling since Prohibition.

Gambling has gone mainstream in America and become a kind of entertainment that respectable people -- many of them families -- purchase. Vegas casinos have become a \$ 7-billion-plus destination resort industry. And the business community is dominated by billionaires, centimillionaires and their bankers. Gambling is not something you leave to the crooks anymore.

Las Vegas Business Press

May 16, 1994

SECTION: Vol 11; No 19; Sec 1; pg 2

LENGTH: 550 words

HEADLINE: Megaresort race on the Strip heats up -- Again

BYLINE: Jamie McKee

DATELINE: Las Vegas; NV; US

BODY:

The newest wave of megaresorts on the Strip started last week when **Mirage Resorts** and ITT Sheraton announced new projects back-to-back.

The day before a well-publicized press conference at which ITT Sheraton promised to unveil the new project it plans costing up to \$ 1 billion building, **Mirage Resorts** suddenly announced it had taken on its first Nevada partner by joining Gold Strike Resorts to build a \$ 250-million, 3,000-room resort on 43 acres at the Dunes/Flamingo intersection, formerly The Dunes Hotel & Casino.

Mirage demolished part of the Dunes in October and plans to level the remainder in July.

Gold Strike owns the Gold Strike Hotel & Gambling Hall and Nevada Landing in Jean, and the Gold Strike Inn and Railroad Pass on Boulder Highway. It is working on another 600-room hotel in Jean and is also developing riverboats in Elgin, Ill., near Chicago, and in Bay St. Louis, Miss.

Gold Strike is known as a value-oriented operator whose Interstate properties attract Californians more interested in gambling than fancy hotel rooms or entertainment.

Two of its principals, Michael Ensign and Glenn Schaeffer, have experience working for the most value-conscious operator on the Strip, Circus Circus Enterprises. Ensign was chief operating officer of Circus Circus and Schaeffer was president.

Industry sources had little time to speculate about why Mirage Chairman Steve **Wynn**, known for demanding the best of everything regardless of cost, would team up with an operator whose success was founded on no-frills value.

At an elaborate luncheon the next day ITT Sheraton revealed Desert Kingdom, a 3,000-room, 135,000-square-foot hotel/casino as impressive as any megaresort now lining Las Vegas Boulevard.

Sheraton Desert Inn President Burton Cohen joked about the competition between the two operators.

He said Sheraton executives had taken great pains to keep the project a secret and he assumed they had failed when he picked up the morning newspaper and saw the headline, "New Strip Resort Planned."

"As I read further, I realized that my dearly beloved Steve **Wynn** had struck again," Cohen said.

Wynn showed up later at Sheraton's luncheon, staying long enough to poke at the project model and express his admiration.

Mirage and Gold Strike plan to open their resort in mid-1996, while Sheraton has slated the first quarter of 1997 for the debut of Desert Kingdom.

It should prove interesting to watch the megaresort competition in the meantime--**Wynn** has promised to announce a "wholly-owned, luxury property" on the remaining 121 acres of the Dunes property by year's end.

The hotel will likely follow the pattern of Sheraton's Desert Kingdom and most of the hotel/casinos that have been built on the Strip in the past five years.

All are complete destinations with enough extensive waterscaping, themed casinos, entertainment, bars and restaurants to make it possible for a vacationer to stay a week or two and not set foot outside the property.

Late last year, three megaresorts--Luxor, Treasure Island and the MGM Grand--created the same anticipation as they made announcements and scheduled openings within months, sometimes within days, of each other. The hoopla died down soon after the last opening of the MGM Grand in December.

The race is on--again.

The Vancouver Sun (British Columbia)

February 24, 1994, Thursday, FINAL EDITION

SECTION: NEWS; Pg. A2

LENGTH: 192 words

HEADLINE: High roller worth \$ 1.7 billion

BYLINE: VANSUN

BODY:

Mirage Resorts Inc. is one of the wealthiest Las Vegas gaming companies with an asset base of \$ 1.7 billion, the company's vice-president public relations Alan Feldman said Wednesday.

It owns and operates the **Mirage resort** and Treasure Island on the Las Vegas strip, the Golden Nugget in downtown Las Vegas and the Golden Nugget in Laughlin, Nev.

Gambling revenues bring in half a billion dollars a year.

According to the company's 1992 annual report, dated April 1993, casino revenue totalled \$ 533,580,000 US and operating income was \$ 125 million. It has 12,000 employees. The Mirage alone has 7,556 employees earning an average annual wage of \$ 33,584.

"More than ever, casino gambling has become a growth industry," Mirage chair and chief executive officer Stephen **Wynn** reported to shareholders.

"Our industry is clearly joining the mainstream of American entertainment."

Wynn says the company's philosophy is that "gaming is not enough."

"It must provide the customer with an entertaining experience . . . that will inspire that customer to return again and again, regardless of whether he or she wins in the casino."

Fortune

January 24, 1994, Domestic Edition

SECTION: PORTFOLIO; Pg. 103

LENGTH: 427 words

HEADLINE: Welcome to the NEW Las Vegas

BYLINE: by Andrew E. Serwer

BODY:

Wholesome enough for a church outing. As antiseptic as a modern theme park. Able to attract free-spending families in a single swoop. Look, it's a Disneyland. It's a futuristic fun world. No, betcha 5 to 2 it's Las Vegas!

Almost half a century after gangster Bugsy Siegel flipped on the lights at the Flamingo, this city of small sins is remaking itself, in a family way, the better to compete with the growing number of casinos nationwide. Going down are kitschy landmarks like the Dunes and even Bugsy's joint -- a part of the Flamingo Hilton. Going up are entertainment complexes pristine enough for Mr. and Mrs. Apple Pie.

Want to talk job creation? Since 1988 the number of employees toiling in casinos has climbed 35%, to about 135,000. The lure of jobs in casinos, construction, retail, and

other trades has swollen the population 28% since 1988, to almost 900,000.

The new Las Vegas was shaped by legitimate gaming godfathers like Stephen **Wynn**, CEO of **Mirage Resorts**, who realized that to expand the market they had to offer more than the same old craps. So they created vacation fantasy lands, complete with laser shows, roller coasters, and a replica of King Tut's tomb. "To grow we needed to attract people who didn't want to gamble 24 hours a day," says Circus Circus President Clyde Turner. Want to bring the kids? Sure. The new MGM Grand will babysit children (the ultimate collateral) while their parents gamble. A hotel-supplied pager lets them stay in touch.

The new look emerged in late 1989 when **Wynn** completed the Mirage, a \$630 million, 3,050-room hotel/casino, on the city's tacky turnpike, the Strip. It features a 20,000-gallon aquarium and an immensely popular man-made volcano out front. Circus Circus countered with Excalibur, a 4,032-room Arthurian extravaganza. Last year was the high renaissance, with the opening of three mammoth hotel/casinos, including Luxor, **Wynn's** Treasure Island, and the MGM Grand, the "world's biggest casino hotel" at 5,005 rooms.

Despite the 20,000-plus new hotel rooms and 500,000 square feet of new casino space in four years, occupancy rates actually climbed from 85% in 1989 to near 87% today. The national average is about 67%.

The payoff: Gross gaming revenues -- money left with the casinos after winners are paid but before expenses -- climbed from \$2.8 billion in 1988 to \$4.4 billion in 1993, and that doesn't include the three new additions. One thing hasn't changed about Las Vegas: This town still knows how to separate a man -- better make that a family -- from its money.

Forbes

December 6, 1993

SECTION: MARKETING; Pg. 235

LENGTH: 915 words

HEADLINE: The pied pipers of Vegas

BYLINE: By Lisa Gubernick; EDITED BY JOSHUA LEVINE

HIGHLIGHT:

Las Vegas is going in for theme parks. Are they for little kids or for older folks who act like kids?

BODY:

ON OCT. 27 at 10 p.m., Steve **Wynn**, chief executive of **Mirage Resorts**, pushed a red button on a small metal box. Moments later the grand 19-story Dunes hotel crumbled in a heap.

Gone was a monument to the old Las Vegas with its mobsters, topless dancers and high rollers. Just 24 hours before he blasted the Dunes away, **Wynn** cut the ribbon on Treasure Island, a \$ 475 million pirate fantasy featuring sword fights, white-sailed

galleons, a massive videogame arcade and a 40-foot slide in the pool area. Just think Disneyland with slot machines.

What's going on here? **Wynn** is wrestling with a tough marketing problem: parental guilt. "Parents want to travel with their kids these days," says Alan Feldman, vice president in charge of public relations for **Mirage Resorts**. But why would a kid want to go to Las Vegas? How does a guilty parent justify abandoning junior to watch TV in a hotel room while he works the slots and roulette wheels?

What makes the problem even more complicated is that **Wynn** wants to expand his market without alienating his original customers. "Gamblers don't like to trip over kids in a casino," **Wynn** says. But the Las Vegas moguls are facing a tough problem: How do you have your chips and spend them?

But Las Vegas has no choice these days but to go after the family trade. By the end of this year Las Vegas will add 1,524 new hotel rooms, for a total of 87,370. That will put Las Vegas ahead of Orlando, Fla., home to Disneyland, by more than 8,000 rooms. "To get a decent return, the visitation to Las Vegas in 1994 must absolutely go up a minimum of 10%, to at least 25 million," says Dean Witter analyst Willard Brown.

Getting that additional 10% isn't easy at a time when people have plenty of other places to go for gambling: shooting dice in riverboats floating up and down the Mississippi or playing one-armed bandits on more than 60 Indian reservations in 18 states.

Circus Circus successfully went after the low-end family crowd over a decade ago. Rooms were cheap (\$ 40 and under), and acrobats and arcades kept the kids amused on the mezzanine while their parents worked the slots on the floor below. But parents traveling with kids were a narrow niche -- less than 7%. Broadening that niche is now the name of the game.

Circus Circus Enterprises opened the \$ 375 million Luxor on Oct. 15. Opening on Dec. 18 is the \$ 1.1 billion MGM Grand Hotel, Casino & Theme Park. Each has its own theme-park trimmings. The Luxor is a 30-story, pyramid-shaped resort that dwarfs anything the pharaohs ever built. It is complete with sphinx and a boat ride through an ersatz Nile coursing around the hotel lobby.

Last August the original Circus Circus opened a \$ 90 million theme-park addition called Grand Slam Canyon, with animated dinosaurs, a high-speed roller coaster and a laser-tag game with electronic guns and vests.

At the new MGM Grand, a 33-acre theme park offers Parisian Taxi bumper cars and a giant fume ride, while actors dressed as Betty Boop, Olive Oyl and characters from the Wizard of Oz stroll the grounds.

To help reinforce the new image, Vegas hotels are using family-oriented advertising on television shows in California, the state that provides 40% of its business. The Las Vegas Convention Center & Visitors Authority has prepared a 30-second commercial featuring a couple of rambunctious kids splashing in a pool, and a family chowing down at a wholesome-looking buffet. "Where else can you afford this much fun?" asks the voice-over. "Only in Las Vegas."

Steve **Wynn** has produced *Treasure Island: The Adventure Begins*, a one-hour television movie on NBC in January that will be running as a paid advertisement for his new resort. The star is 13-year-old Corey Carrier, and the show will be smack in the middle of family-viewing hours at 8 p.m.

Are the families taking the bait? It's too early to say, but the very early signs are not very encouraging. Fred Blackington, a Las Vegas cab driver, says he hasn't seen any of this so-called family traffic. "I think this whole thing is a big mistake," he says. "People come here to get away from kids."

Irma Herrmann, a travel agent at La Cienega Travel Services in Beverly Hills, reports that she has had just one inquiry from a family for a trip to Las Vegas. "He was going for his second marriage, and he wanted to bring his two kids from his first," she says. "It just isn't really a place where parents go with their kids."

Paul Seelig, an energy management consultant from Torrance, Calif., agrees. He went to Treasure Island for a four-day holiday with his wife and 4-year-old son in October. "There was nothing there for my son to do," he complains.

Ann Shapiro, touring a video arcade with her 4-year-old son while her husband attends a convention, has a similar reaction. "Keeping my son in some dark smoky place is not my idea of a vacation," she says.

On a recent visit to Treasure Island, the crowd jamming the video and game arcade, dubbed "Mutiny Bay," looked old enough to be hitting the crap tables -- legally.

"We are spending a little extra money to make our resorts friendly for people of all ages," says Steve **Wynn**, "because these days children travel with their parents. But we are not specifically pitching anything to people under 21. This is a place for big kids." **Wynn** had better be right, because it doesn't look like a lot of families with little ones will be showing up anytime soon.

Chicago Sun-Times

View Related Topics

November 21, 1993, SUNDAY, Late Sports Final Edition

SECTION: TRAVEL; Pg. 1

LENGTH: 2001 words

HEADLINE: Hotel Fever Sweeps Las Vegas;
Themed Casino Resorts Grow Bigger and Bigger

SOURCE: tr

BYLINE: BY JACK SCHNEDLER

DATeline: LAS VEGAS

BODY:

The pyramid-shaped Luxor has fired its two performing ostriches, because the

ungainly birds were too stupid to learn their routines for the nightly dinner-theater spectacle at the newborn hotel.

Treasure Island is gripped by hourly pedestrian gridlock each evening as thousands of gawkers elbow for position to watch a fiery mock sea battle between full-size models of an 18th century pirate ship and a British Royal Navy frigate.

Such inevitable teething problems aside, the 2,526-room Luxor and the 2,900-room Treasure Island landed with a tidal-wave splash last month in Las Vegas. Their rooms are heavily booked well into 1994, and their jangling casinos swarm with tourists trying their luck with the newest brash big kids on the block.

As casino-hotel fever rages, this southern Nevada desert city seems hellbent on proving that Americans have bottomless pockets for legal wagering -- to the tune of an estimated \$ 12 billion in betting losses nationwide for 1993.

At the same time, Las Vegas is working to refocus its longtime glitz-and-gambling image. With properties like the Luxor and Treasure Island, it aims to be -- in the words of a recent press release -- "a one-stop, multi-dimensional resort destination for the whole family."

These two latest family-themed casino resorts -- each substantially larger than Chicago's biggest hotel, the 2,019-room Hyatt Regency -- are mere steroid-pumped minnows compared to the whale waiting in the wings near the south end of the traffic-choked Strip. The official opening date is Dec. 18 for the 5,005-room MGM Grand, the \$ 1 billion Kirk Kerkorian leviathan that comes complete with Las Vegas' first full-fledged theme park (about the size of California's original Disneyland).

Even by the neon-numbered standards of Las Vegas, where "big" is such a hypnotic mantra that two souvenir outlets within clear sight of each other both claim to be "the world's largest gift shop," the MGM Grand shapes up as a Guinness Book of Records glutton. Not only will it be the world's largest hotel, but it also will boast the world's biggest casino (171,500 square feet, equal to four football fields) housing the most slot machines (3,500) under one roof anywhere.

What's more, the MGM Grand's arrival will give Las Vegas the world's nine largest resort hotels, and 12 of the 13 biggest. Gaming properties have grown so gargantuan around here that the famed Caesars Palace, with its 1,518 rooms and suites, falls 700 rooms short of making the Top 13 list.

Luxor, which opened Oct. 15 as the newest Circus Circus Enterprises property, can lay claim to the world's largest atrium -- 29 million cubic feet, a space vast enough to stack nine Boeing 747 jumbo jets. And the brilliant beam of light shining straight up into the heavens from the pyramid's apex is billed as the world's most powerful illumination -- 40 billion candlepower.

Treasure Island at the Mirage (its full name) isn't quite so big on bragging. But the new Stephen A. **Wynn** resort's Oct. 27 opening was heralded by the biggest bang around -- the hyper-hyped implosion of the 37-year-old Dunes, once the pioneering setting for the Strip's first topless dancers, but now a casualty of the changing times in Las Vegas.

Perhaps the best pun in town also can be found at Treasure Island, where a women's

clothing shop bears the name Damsels in Dis'Dress. And the hotel's \$ 32 million naval battle qualifies as the city's most expensive (and, for the moment, most exciting) free attraction. Its pyrotechnics make the erupting volcano at **Wynn's** next-door Mirage look like a sputtering sideshow by comparison.

This being Las Vegas, the pirates always win Treasure Island's sea duel. So it's just as well that the seven-minute bombardment between the Hispaniola and the Britannia is one of the few happenings here on which no legal bets are taken.

Beyond the \$ 1.8 billion invested in this fall's three new mega-resorts, major money is being bet on a host of other Las Vegas projects.

Circus Circus opened the \$ 90 million Grand Slam Canyon amusement park this summer under a huge dome built over its parking garage. The Rio Suites Hotel and Casino has doubled its size to 861 rooms with a new tower. The San Remo has added a wing. The 200-room Debbie Reynolds Hollywood Hotel/Casino and Movie Museum has set up shop a half-block off the Strip. The successful Boyd Gaming Group has bought the defunct Main Street Station downtown for reopening next year.

On a grander scale, ITT Sheraton has entered the Las Vegas market by purchasing the prestigious Desert Inn for \$ 160 million -- with plans to quadruple its casino space and add 1,200 rooms to the existing 820. By the turn of the century, ITT Sheraton intends to expand the Desert Inn to 5,000 rooms and suites.

Wynn, whose four-year-old Mirage has become Las Vegas' largest-grossing casino (\$ 250 million annually), is expected to unveil plans next spring for another huge themed resort on his Dunes acreage. In the talking stages are a country-western themed pair of 20-story hotel towers shaped like cowboy boots on the El Rancho site, and an 1,800-room tower addition to the Sands.

As a token of Las Vegas' shift to a family focus, yet another project in the works is the Hard Rock Hotel and Casino, expected to open by the end of 1994. A partnership between Hard Rock America Inc. and Harvey's Hotel of Lake Tahoe, the 350-room property will cost \$ 80 million. It will target pleasure travelers in the 21-to-45 age bracket, according to Hard Rock America chairman and president Peter Morton, "and, of course, families, with a real emphasis on youth and energy and music."

It is a misconception, despite all the family hoopla, to think that Las Vegas wants to become another Disney World -- or so say local experts.

"Las Vegas isn't looking for children," says Alan M. Feldman, vice president/public relations for the **Mirage resorts**. "Las Vegas is looking for adults who travel with their children. Today's mindset is that many parents want to share quality vacation time with their youngsters, but in an adult setting. So we have to create activities to keep the kids happy, too. We want the whole family to leave saying, 'Wow, did we have fun in Las Vegas!'"

MGM Grand Adventures, that looming resort's theme park, "is not a kiddie park," emphasizes Tom Bruny, MGM Grand's director of advertising and public relations. "It is an adult-oriented theme park. It will appeal to youngsters, of course, but also to non-gambling spouses and companions."

Other MGM Grand allures beyond the casino will include Emerald City Dome, with a

"Wizard of Oz" light show, just inside the 88-foot-high lion's-mouth entrance; King Looney's Youth Activity Center, where parents can feel guilt-free dropping off their kids ages 4 to 16 from 8 a.m. to midnight; and the Grand Theater, Las Vegas' largest showroom, scheduled to open a \$ 30 million original production next summer.

Treasure Island, in addition to its eye-popping sea battle, is now home to the inventive and sophisticated Cirque du Soleil. This Montreal-based troupe will open a new show, "Mystere," just before Christmas in a breathtaking, 1,500-seat arena built especially for its high-flying acts. Mutiny Bay, the hotel's 18,000-square-foot entertainment arcade, features video games and other diversions for actual kids and kids-at-heart. This is a place where fully grown adults try to "Whack a Mole" with a padded hammer and win a prize.

Luxor is jam-packed with attractions, including "The Secrets of the Luxor Pyramid," a three-part, special-effects dazzler created by Hollywood hot shot Douglas Trumbull ("2001: A Space Odyssey" and Universal Studios' "Back to the Future" ride). Part one of Trumbull's Luxor extravaganza, featuring a simulated free-fall plunge in a runaway elevator, was operating only sporadically during the first couple of weeks due to high-tech hiccups. Luxor's games arcade, VirtuaLand, boasts simulated space adventures and Grand Prix racing.

Set to open before Christmas on Luxor's lowest level is a full-size reproduction of King Tut's ancient Egyptian tomb. Already running is the River Nile Tour, on an artificial stream that traverses the hotel's inside perimeter. The evening "Winds of the Gods" dinner-theater show, minus the malfunctioning ostriches, features chariot races plus cameo appearances by elephants and camels.

Among established casino resorts here, Caesars Palace has been a pacesetter in adding non-wagering attractions -- the 1 1/2-year-old Forum Shops at Caesars being the most spectacular recent example. Opening next spring in this glitzy shopping arcade will be a 400-seat outlet of the Planet Hollywood dining-entertainment chain. At the Las Vegas Hilton, meanwhile, a flashy production of Andrew Lloyd Webber's roller-skating musical extravaganza, "Starlight Express," has been playing to mostly full houses since mid-September.

All these new enterprises are giving the Las Vegas Strip traffic headaches almost as painful as the notorious gridlock in country-music mecca Branson, Mo. Las Vegas police are seeking to have cruising by local teenaged motorists banned on the Strip between 8 p.m. and 5 a.m. as a way of reducing traffic congestion and crime. To ease the gridlock at the super-busy intersection where the Strip (Las Vegas Boulevard South) crosses Tropicana Boulevard, a pedestrian overpass is set to open next month in conjunction with street-level barriers that will force tourists on foot to go overhead.

Las Vegas expects to tally a record 22 million-plus visitors for 1993. But this fall's arrival of more than 10,000 new hotel rooms, pushing the city's lodging capacity to an astonishing 86,000 rooms, has some observers expecting casualties among older properties (despite this year's amazing overall Las Vegas casino-hotel occupancy rate above 90 percent).

"The new hotels are a threat to places unwilling or unable to stay fresh," says the Mirage company's Feldman. "Otherwise, the increased competition is good for all of

us. Its gives visitors more to do and makes Las Vegas a multi-day experience (average stay: 3.5 days, up from 2.4 days a decade ago). To some extent, we all live and die together."

By virtue of its scale, the MGM Grand appears destined to be the brightest star in the Las Vegas galaxy during the year ahead.

"The MGM Grand will even steal the fire of the Luxor and the Treasure Island," predicts Anthony Curtis, publisher of the lively Las Vegas Advisor newsletter. "It's not just the size, but the whole concept of being like a futuristic, self-contained city. Once you're inside the MGM Grand, there'll be no reason to go anywhere else."

Curtis, like other observers, thinks the spread of legal casino gambling to at least 20 states is only helping create new customers for Las Vegas. "It's like the minor leagues," he says. "People go on a casino riverboat in Illinois, and it whets their appetite for the real thing in Las Vegas."

MGM Grand chief executive Rober R. Maxey notes that only 15 percent of Americans have ever been to Las Vegas. "We have plenty of room to grow," he declared in a recent Business Week report on the gaming boom. Indeed, one forecast for 1994 projects a record 88 million trips to U.S. casinos -- 55 million of those by funseekers going more than 100 miles from home.

While gambling is now a respectable pastime for many Americans, Las Vegas does still face challenges in shedding its erstwhile Sin City image. Organized crime has been pushed into the shadows, but parents strolling the Strip with their youngsters may have to run a sleazy gauntlet of pitches for escort services, all-nude revues and other variants of sex for sale. Many of these X-rated brochures and pamphlets are graphically illustrated.

It's enough to make even a worldly-wise daddy blush. But, as savvy local public-relations veteran Don Payne observes, "Las Vegas is exactly what it is -- and makes no apologies or excuses for it."

GRAPHIC: TOP: A sphinx guards the entrance to the Luxor, one of Las Vegas' new mega-resorts. LEFT: At Treasure Island, another newcomer, a pirate ship and a British Royal Navy frigate engage in hourly mock sea battles. ABOVE: Set to open Dec. 18, MGM Grand will house the city's first full-fledged theme park. (On Page 7, Dave Hoekstra delves into Las Vegas nightlife.) ABOVE: Luxor's interior boasts the world's largest atrium. BELOW: The dozen biggest casino hotels in Las Vegas, along with the relatively runty Caesars Palace, are located on this map. One of the best puns in Las Vegas is the name of a women's clothing boutique in the new Treasure Island at the Mirage. A victim of changing times in Las Vegas, the old Dunes is rubble after the much-trumpeted implosion of the property last month. MAP; See roll microfilm. See also related stories.

The Seattle Times

November 14, 1993, Sunday, Final Edition

SECTION: TRAVEL; Pg. L2

LENGTH: 2667 words

HEADLINE: LADY LUCK'S NEW CLOTHES -- IN BOOMING LAS VEGAS, THREE NEW 'MEGA- RESORTS' ARE BRINGING A FAMILY DIMENSION TO THIS GAMBLING OASIS

BYLINE: BY JACK BROOM

DATeline: LAS VEGAS

BODY:

LAS VEGAS - Sin, gin, and a chance to win. That simple formula, gangster Bugsy Siegel knew, could entice multitudes of fun-seekers to this desert gambling oasis.

As history proved, he was absolutely correct. He was also absolutely dead, encountering in 1947 that perennial hazard in the crime-boss trade: a hail of machine-gun fire.

Still, the Las Vegas he envisioned grew and flourished.

But nowhere in Siegel's plan was any mention of virtual-reality video games; nor were there water slides, roller coasters or life-sized cartoon characters strolling around waving at children.

Welcome to the "new" Las Vegas.

Last month, two huge hotel-casinos, pyramid-shaped Luxor and pirate-themed Treasure Island, opened amid the glamour and glitter of the Las Vegas strip, each billing itself a complete family destination resort.

Next month, MGM Grand ups the ante, opening the world's largest hotel atop the world's largest casino and in front of a 33-acre theme park.

If he were to walk Las Vegas Boulevard today, the dapper-but-deadly Siegel might wince at the wholesomeness of it all.

Or would he?

On close inspection, the new Vegas looks less like a city undergoing a personality change than one surviving - and prospering - in a permanent state of schizophrenia.

Yes, the family attractions are here, and more are on the way.

But free booze still flows in the casinos, smoke still curls above the craps tables, signs on taxicabs still boost the local topless clubs, and publications handed out on the street still give directions to Nevada's legal brothels, 40 miles north of town.

The new enticements in Las Vegas are monumental - in size and cost. But the basic goal remains the same: getting visitors to happily hand over their hard-earned cash.

"I'm not really a gambler," says a smiling Lorraine Zalusky, 54, pumping nickels in to a slot machine at the Luxor. "I just do this for fun."

In front of her, dials spin brightly on a "Fire and Ice" slot machine. When flaming symbols line up on the center line, nickels fall loudly into a metal pan below. Usually, they don't fall at all.

For Zalusky, a vacationer from California's Napa Valley, fun is "warming up" at a nickel slot machine before moving on to ones that take quarters, and then dollars.

When the fun is over, she likely will have made a decent contribution to the local economy.

But that doesn't bother her. Late last month, she came to Las Vegas for the first time in years to see this mammoth pyramid, with its laser-

light shows and indoor Nile River.

"It's remarkable and certainly unique," she said, slipping a few more nickels into the slot.

These days, the biggest gamble in Las Vegas is not that of slot-machine players like Zalusky. For the most part, they play a few dollars they've already budgeted to lose.

A far bigger bet is money casino owners themselves are spending on new attractions.

As competition for America's gaming dollar increases, Vegas resort owners know gambling alone may not continue to fill the highways from Los Angeles and Phoenix, the airplanes from Seattle and Dallas and Chicago.

In addition to this fall's three new resorts, at least four other multi-million-dollar attractions, expansions or facelifts are planned around town.

Even Bugsy Siegel's own private hideaway is being sacrificed. His original Flamingo Hotel, which has survived as a wing of the 3,500-room Flamingo Hilton, is being demolished this month in a \$ 130 million expansion that includes a new hotel tower and 15 acres of tropical gardens, pools and waterfalls.

"It's one giant game of can-you-top this," said Tom Bruny, a spokesman for MGM Grand.

Here's a look at the newest resorts:

MGM Grand Hotel, Casino & Theme Park Opening: Dec. 18 Rooms: 5,005 Cost: \$ 1 billion

When you go to the MGM Grand, take a good pair of walking shoes. From the front of the casino to the back of the theme park is a mile of tile and pavement.

The sheer dimensions of this 112-acre "entertainment mega resort" are staggering. Its casino, the size of four football fields, will hold 3,500 slot machines and 165 table games (such as blackjack, craps and roulette) plus areas for keno and sports betting.

Elsewhere in the mammoth structure, one showroom will seat 630 people for big-name stars; another will hold 1,700 for production shows and an indoor arena will seat more than 15,000 for sporting events or concerts.

In the 30-story hotel, 93 elevators will take guests up the four emerald-green towers. The highest high rollers will stay in 751 suites, including three two-story penthouses, each of which has 6,000 feet of space, 27 telephones and its own private elevator.

Designers tapped MGM's symbols and movie history, particularly the Wizard of Oz, for the theme.

Visitors enter between the paws of an 88-foot tall gilded lion, the MGM trademark. Once inside, they'll follow a yellow brick road to a six-story tall crystal castle representing the Emerald City.

Visitors can either head straight to the casino, or walk inside the crystal structure, where a motion simulator and high-tech film convey a Dorothy-like transition from Kansas to Oz.

The property's most revolutionary feature is not in the hotel, but behind it, in a Disney-meets-Vegas theme park with seven rides, 10 food outlets, two wedding chapels, five theaters and eight pedestrian streets, each with its own Hollywood back-lot feel, such as New Orleans Street, Asian Village and Tumbleweed Gulch.

Each theater has its own special gimmick. For example, at "You're in the Movies," people will be chosen from the audience, costumed and given a script, and their performances will be combined with pre-filmed scenes and backgrounds.

During a visit late last month, the theme-park grounds looked impressive, even down to the wrought iron on second-story balconies above New Orleans Street.

But it was obvious much work remained. Spools of cable, truckloads of paving tiles and whole trees were waiting to be moved into place. Still, MGM officials boasted that the project was on time and under budget.

(Construction was moving so well earlier this year that MGM moved up its opening date, originally set for next February, to Dec. 18. Despite the change, publicity pamphlets and the plywood fence in front of the project still carry the slogan, "Watch Us Roar in '94.")

Inside the 171,500 square-foot casino, MGM hopes to increase its take by tapping into a bit of gambler psychology.

"If gamblers are on a losing streak, they go to another casino to see if their luck will change," Bruny said. "Here, they'll be able to do that without leaving the building."

The casino space is broken into four areas, each with its own style. For example, in the Monte Carlo area, dealers will wear tuxedos, while another area features a sports theme.

The MGM Grand name is not new to Las Vegas. In 1980, 85 people died in a smoky fire at the former MGM Grand Hotel, located about a mile away.

After the fire, that building was sold and reopened as Bally's, and local building codes were rewritten to require all hotels to have sprinkler systems.

Luxor Opened: Oct. 15 Rooms: 2,526 Cost: \$ 375 million

When visitors enter beneath the giant sphinx guarding this 30-story pyramid, their heads turn immediately upward, and what's most remarkable is what they don't see: a casino.

Dominating the field of view is the interior of the pyramid itself, which builders call the world's largest atrium - big enough to hold nine Boeing 747s.

All rooms are on the exterior walls, reached by "inclinator" that travel upward at a 39-degree angle.

There is a casino here, of course, 100,000 square feet of it, but it is slightly lower than the main entrance, reached by ramps or stairway.

A narrow waterway circles the interior of the pyramid; guests ride barges that carry them to the four corners. The journey takes them through the hieroglyphic-enscribed tunnels of Luxor, the Egyptian city that holds the Pharaohs' tombs.

Parts of the ride seems a bit incongruous; one moment, travelers pass through tunnels and vaults of ancient Egypt, and the next, they glide by a snack bar and bank of slot machines.

Luxor's outer surface is 11 acres of black glass, topped by a 40 billion candle-power beam shooting heavenward. Promoters call it the brightest light on earth, and claim it can be seen from the skies above Los Angeles, 250 miles away.

Inside the pyramid, one's eyes are drawn to an ancient-looking temple, a present-day street scene and a sleek, tall futuristic

structure. These house Luxor's high-tech theater presentations set in the past, present and future, each showing part of a story dealing with a powerful crystal obelisk found beneath the desert.

(The attractions suffered from Luxor's push to open as early as possible. In a visit two weeks after the opening, the first theater still was not working and the second stopped running part way through its presentation. A replica of King Tut's tomb on Luxor's lower level won't be ready until December.)

Luxor also houses VirtuaLand, an arcade including several high-tech video features such as a flight simulator and race cars that actually twist and turn as the driver responds to images on a screen.

The pyramid-shaped resort is a project of Circus Circus Enterprises, whose properties include the adjacent Excalibur, a medieval castle connected to Luxor by a monorail.

Luxor's laser-light display, held every 15 minutes in the evening, is so dramatic it has been stopping traffic on Las Vegas Boulevard. Sometimes police are on hand just to keep cars moving.

In the show, colored beams from the eyes of the sphinx strike an obelisk and a pool, causing waters to boil and rise as a screen, on which video images of ancient Egypt are projected.

Treasure Island Opened: Oct. 26 Rooms: 2,900 Cost: \$ 430 million

Simply opening a new resort wasn't a big enough bang for Steve **Wynn**. So when he opened Treasure Island last month, he blasted another hotel, the Dunes, to bits.

Fortunately, **Wynn** owns both. The chairman of **Mirage Resorts, Inc.**, has been the most visible architect of the new Las Vegas.

In 1989, **Wynn** opened the \$ 610 million Mirage, now adjacent to Treasure Island. The Mirage is a tropical resort that features a fire-belching volcano in a five-acre lagoon, an indoor rainforest, and exhibits of Atlantic Bottlenose Dolphins and Royal White Tigers.

At Treasure Island, connected to the Mirage by a monorail, pirates dominate the scene, from the 35-foot tall skull on the casino's sign to the images of gold doubloons in the carpet to the Jolly Roger emblem projected on the convention hall curtain.

The names of suites (Captain's Suite, Pirate's Cove) the restaurants (The Plank, the Black Spot Grille) and game arcade (Mutiny Bay) echo the pirate theme.

In Mutiny Bay, a dark and cavernous castle, skeletons on the walls and piped-in sounds of a pirate village surround youngsters playing the carnival, video and pinball games. On a stage, two pirates duel with swords.

Other family-style attractions are a 40-foot water slide into the swimming pool (opening in the spring) and a \$ 20 million showroom custom-built to house "Mystere," a new production by the Montreal-based Cirque du Soleil.

Treasure Island's signature attraction is Buccaneer Bay, a man-made lagoon in front of the hotel. In that \$ 33 million waterfront scene, a pirate ship and British frigate, each 90 feet long and rigged with sails, battle to the finish seven times a night.

Thirty-three actors are involved in the production, which starts when the British ship sails in from the right and spots the motley pirate crew unloading its ill-gotten goods.

After threats and warning shots are exchanged, a blast from the

British ship breaks the pirates' main mast, triggering fireworks and flames, and several scoundrels drop into the drink. (One, stunt man, Sonny Tipton, falls 36 feet from a yardarm, his back in flames.)

But just as things look bleak for the pirates, their captain swings on a rope with a smoldering fuse in hand to fire the ship's final cannon. The shot strikes the British ship's ammunition deck, and a fireball roars from royal vessel as it sinks slowly into the lagoon.

There was never a doubt, when the fireworks-enhanced show was being designed by Hollywood special-effects experts, just which side would prevail in the battle.

As resort owner **Wynn** likes to put it - in a line that could comfort the wandering spirit of Bugsy Siegel: "In Las Vegas, the pirates always win."

Chicago Sun-Times

View Related Topics

October 10, 1993, SUNDAY, Late Sports Final Edition

SECTION: TRAVEL; Pg. 4

LENGTH: 981 words

HEADLINE: Hype Hits New Heights In Las Vegas Fantasy War

BYLINE: By David Henry

DATELINE: LAS VEGAS

BODY:

Dick Hseuh, a physicist at the Brookhaven National Laboratory on Long Island, N.Y., was beaming with pride about his good fortune at the Circus Circus casino here.

No, Hseuh hadn't won at black jack or the slots. But he had won big with his 15-year-old son, Daniel, by spending the afternoon on roller-coaster and river-rapid rides at Grand Slam Canyon, a \$ 90 million amusement park Circus Circus opened this summer at the back of the casino under a five-acre translucent dome.

The prospect that Hseuh, and maybe millions of other parents, might come to view Las Vegas as a family friendly entertainment center is the point of a \$ 2 billion bet slapped on the table by the city's casino operators.

Three of the city's biggest companies have invested nearly that amount on an expansion of their product line: three huge new casino-hotels, all scheduled to open before the end of this year, and all built around extravagant themes of fantasy.

One, the new MGM Grand, will be the world's biggest resort hotel: 5,000 rooms, the country's largest casino and a 33-acre amusement park modeled after a Hollywood back lot. Another, Luxor, takes the shape of a 30-story pyramid and features high-tech theaters, the latest in video arcades and 2,500 rooms. And Treasure Island, with 2,900 rooms, will have a cast of 30 stuntmen and actors out front staging a battle every hour in which pirates sink a full-sized British frigate.

The Luxor pyramid is supposed to open Friday, setting off the city's biggest-ever blowout of fanfare, laser shows and hype beyond anything imaginable outside of the Nevada desert.

This fall, all you're going to hear about is Las Vegas, boasts Bill Paulos, a senior vice president of Circus Circus Enterprises Inc., the company building Luxor.

What's behind the hype?

What's driving this investment and hype? In short, Indians, riverboats and Disney.

Las Vegas fears the spread of casinos throughout the nation and covets the spectacular growth of Orlando, Fla., into a major tourist destination. Gambling is becoming so commonplace that Las Vegas' leading companies have decided to embrace spectacular malls, theme parks and sophisticated video games to protect the Strip's \$ 2.6 billion-a-year casino franchise.

At the same time, as television presents more sexual images, it apparently becomes easier for adults with children to tolerate the city's bawdy advertisements for topless dancers and call girls.

Gaming itself isn't all that exciting anymore, says Alan Feldman, a vice president at **Mirage Resorts.**

The proof of Las Vegas' need to reinvest appeared this year just outside of Mystic, Conn., at the Mashantucket Pequot Nation's Foxwoods casino. Foxwoods doubled in size to become the nation's biggest casino, doing nearly twice as much business as any other casino and raking in winnings at an annual rate of more than \$ 700 million.

A bigger threat is a huge casino planned for New Orleans, a city that has long had enough non-gambling attractions to lure the vacationers Las Vegas wants. Also worrisome are riverboats close to big cities like Memphis and St. Louis, Indiana's approval of riverboats on the Ohio River and Lake Michigan, and the chance of a huge casino eventually opening in Chicago.

Las Vegas is responding with something it still provides without rival: the lure of excess.

Take Luxor, for instance. Not content with the way the pyramid itself stands out on the skyline, Circus Circus is building a sphinx and an obelisk out front. Lasers will bounce between the sphinx, obelisk and a lagoon; the lagoon will boil and a water screen will appear displaying projections of King Tut's head. An enormous spotlight will beam into space from the pyramid's apex, shining brightly enough to be seen by air travelers 250 miles away.

The purpose is to draw people into the pyramid's atrium, the world's largest, where Circus Circus is installing retail shops, special effects theaters with moving seats, seven theme restaurants, including a Kosher deli on a River Nile flowing around the perimeter. Helping keep people near a 2.3-acre casino will be reproductions of Egyptian artifacts and a full-size model of King Tut's tomb.

Four separately themed casinos

Across the Strip and one casino up, legendary billionaire Kirk Kerkorian plans to open the new MGM Grand in mid-December. The MGM Grand's casino will actually be four separately themed casinos, covering nearly four acres, with 3,500 slot machines and 165 gambling tables. Kerkorian is also putting in a 15,200-seat arena, a \$ 27 million theater for extravagant shows and a seven-story replica of the Emerald City from "The Wizard of Oz."

With a construction tab of \$ 1 billion, the MGM Grand will cost 50 percent more than anything ever built before in Las Vegas.

Between the Luxor and MGM Grand openings, **Mirage Resorts** chairman Steve **Wynn** intends to create the biggest scene of all. **Wynn** already made his name by building the Mirage in 1989 for \$ 630 million, adorning it with white tigers and spending \$ 14 million for an erupting 40-foot volcano.

Now, at Treasure Island next door to the Mirage, **Wynn** is spending \$ 30 million to build a lagoon and its battle royale. For the Oct. 27 grand opening, the ship's first theatrical cannon shot is to miss by about three-quarters of a mile, passing over Caesars Palace and crashing into now boarded-up Dunes hotel-casino. The Dunes is to crumble, demolished by explosives synchronized to the cannon blast.

The Dunes site is where **Wynn** intends to build his next resort. He bought the property out of bankruptcy and, assuming this year's three new casino-hotels don't falter, will start the new project next year. Thus, **Wynn** is turning Treasure Island's opening blast into a symbol for the city's reinvestment.

Los Angeles Times

August 9, 1993, Monday, Home Edition

NAME: STEPHEN A WYNN

SECTION: Part A; Page 3; Column 1; Metro Desk

LENGTH: 2121 words

HEADLINE: CASINO MOGUL **WYNN** IS VEGAS' BIGGEST PLAYER;
BUSINESS: HOTEL OWNER WIELDS FINANCIAL AND POLITICAL POWER, AND IS
PRAISED FOR HIS 'AMAZING VISION' FOR THE CITY. BUT THE WORD IS: DON'T GET
IN HIS WAY.

BYLINE: By TOM GORMAN, TIMES STAFF WRITER

DATELINE: LAS VEGAS

BODY:

When kidnapers mugged Kevin **Wynn** and demanded \$2.5 million in ransom for her safe return, they were messing with perhaps the most powerful person in this town.

Casino developer Stephen A. **Wynn** won his daughter's return not by calling authorities, but by paying \$1.45 million in hundred-dollar bills -- all that he could quickly get his hands on, he said. His handling of the kidnaping accurately suggests

that **Wynn** is frustrated by convention, especially if he has the money to sidestep it.

Indeed, the **Wynn** story is captured on some of the garishly decorated dollar slots at his most famous hotel, the Mirage.

One is called "Midas Touch" and, yes, **Wynn** is reportedly the highest-paid executive in the nation. He made \$34 million last year -- including the value on stock options, Fortune magazine calculated in its annual tally. The hotel from where he chairs **Mirage Resorts Inc.** shimmers in gold, day and night.

Another dollar slot is called "Nevada Jones" and, yes, **Wynn** is the leading adventurer in the gambling business. Although his company is not the most financially successful casino operation in the country, he did strike an uncharted course when he opened the place with a fake volcano out front and introduced a new generation of theme resorts along the Las Vegas Strip.

Admirers say **Wynn** is immersed -- obsessed, even -- in the Disneyfication of the Strip, eschewing lounge acts and glitzy showgirls for white tigers and dolphins, techno-magic and New Age circus shows, in order to attract a more diverse customer base -- which will, he figures, be inexorably drawn into gambling.

But maybe most telling about Steve **Wynn** is the slogan flashed on the animated marquee in front of his newest project, Treasure Island, which opens next to the Mirage in October and where the pirates, they say, will always win.

"You're Either For Us," the sign warns, "or You're Against Us."

Wynn has put in lights the very philosophy that directs his life, say those who know him: Like a pirate fortified by the booty of smaller conquests, **Wynn** sees no limits and takes no prisoners.

The son of a compulsive gambler who operated a bingo operation in Maryland, **Wynn** arrived in Las Vegas as a 25-year-old, invested \$45,000 for a 3% interest in the Frontier Hotel and became its slots manager. He looked and talked smart, befriended the most important banker in town and, with the banker's help, purchased a liquor distributorship.

Wynn's first headlines came when he bought from Howard Hughes a slice of property adjoining Caesars Palace, threatened to build there and walked off instead with a \$766,000 profit when a nervous Caesars bought the land from him.

He invested in the downtown Golden Nugget and, as a 31-year-old Wunderkind, became its corporate chairman. While elevating the Nugget into a Strip-level hotel-casino of a sort never before seen downtown, he built a Golden Nugget casino in Atlantic City.

He survived a scare when he was brought before New Jersey authorities for having hired an old friend who, it turned out, had associated with a New York crime family. **Wynn** fired the man and received only a reprimand.

Wynn sold the Atlantic City casino in 1987 for \$440 million and sank his profits into the Mirage project. Today, the corporate holdings -- the Golden Nugget here and its sister in Laughlin, Nev., Treasure Island and the flagship Mirage -- are valued at \$1

billion, and **Wynn** is looking to expand at home and overseas.

And so today, **Wynn** is something of a legend here, a man slowly losing his eyesight to retinitis pigmentosa but whose vision for Las Vegas is limited only by the ability of his designers to create drawings and models.

He is 51 now, as articulate, charismatic and commanding as they come, surrounded by a wife and two grown daughters (who both work at the Mirage) as handsome as he. He is a man who knows he is on a roll and is parlaying it in ways that are raising eyebrows all around Las Vegas. And the word is: Don't get in his way.

"He's done incredible things. His hotels are monuments to his amazing vision," said one casino executive who -- like most others -- asked for anonymity. "For that, he is great.

"But dynamic visionaries are accustomed to getting their own ways," the executive said. "Casinos are fiefdoms, a place to feed your ego, and they offer a very intoxicating life. And the problem with **Wynn** is that you can agree with him 99% of the time, but if you disagree once, you're the enemy. There's no balance in how he takes measure of people."

Wynn can strike out in various ways against those who affront him.

When a reporter for the Las Vegas Sun wrote a column chiding Steve and Elaine **Wynn** for meddling in athletic affairs at the University of Nevada, Las Vegas, the newspaper editor lost his privileges at **Wynn's** private, \$45-million golf course, Shadow Creek -- a place stocked with 20,000 imported pines and exotic wildlife for the pleasure of high rollers, friends and favored employees.

When a radio talk show host, who had formerly been a city councilman, landed a scathing broadside on **Wynn's** reputation, the show was dropped by the station -- after the offender first read *four times* an on-air apology crafted by **Wynn's** attorneys.

When the sheriff pulled the work permit for **Wynn's** casino host because he allegedly allowed mobsters to play at the Mirage, **Wynn** won the permit back at an appeals hearing -- and then sued the sheriff. **Wynn** claimed that the lawman was retaliating because one of his sons was not promoted as a pit boss at the Mirage, and because another was dropped as an attorney for the Mirage.

And when Donald Trump hired Dennis Gomes, the president of the Golden Nugget in Las Vegas, to head his Taj Mahal in Atlantic City, **Wynn** sued Trump, citing breach of contract and fearing loss of trade secrets.

In his legal papers, Gomes complained that **Wynn** never allowed him to run the place anyway. He characterized **Wynn** as a womanizer and said **Wynn** would launch into spontaneous, denigrating tirades against casino executives in the presence of others, sometimes reducing them to tears.

"His face turned completely red and all puffed up and his eyes bulged and he started screaming at the top of his lungs and banging his head on the table," Gomes said of one **Wynn** outburst.

A local trade reporter once characterized **Wynn** as a "sunshine-thunderstorm" kind of guy -- a characterization **Wynn** does not dispute -- and business people in town say they alternately admire and abhor the man.

One casino owner, who would not speak for attribution, credits **Wynn** "for starting a new era in Las Vegas that certainly woke me up to the fact that I was going to fall by the wayside like others have if I didn't get my act together too."

But he complains that "In the early '80s, Steve started walking on water. He thinks he *is* the industry and that he knows what's best for you."

Wynn brought a political operative onto the corporate staff to conduct polling on behalf of favored candidates. His office also publishes "Silver Voice," a newsletter sent free to about 30,000 senior citizens in Clark County that features recipes -- and updates on legislative issues.

"I don't think there's anyone more concerned about the community than Steve **Wynn**," said Dan Hart, the operative hired after he advised Mayor Jan Laverty Jones in her election two years ago. "He sees the big picture, that you can't have a healthy business climate without balance on the civic side."

Although **Wynn** typically does not forcefully campaign for any one candidate, last year he sent a letter to voters in a state Assembly district, urging them to turn the incumbent out of office. The incumbent -- who had won **Wynn's** disfavor after criticizing him as a community meddler -- won anyway.

But **Wynn** knows the power of the ballot: He led a drive to register 97% of his employees as voters, and now boasts that his workers account for 10% of the people most likely to vote in any Clark County election.

"It was the right thing to do," **Wynn** said of motivating a 14,000-member work force to register to vote, but insists that if he dare suggested how they cast their ballots as a voting bloc, "they'd spit in my eye."

The **Wynns'** presence is felt keenly at the University of Nevada Las Vegas, where they are among the strongest boosters of President Robert Maxson. The **Wynns** and their longtime banker friend, H. Parry Thomas, funded \$1 million each for an endowed chair for Maxson when he retires as president -- an endowment that collapses when Maxson quits the university for good.

Thus, the **Wynns** are considered by insiders to have strong influence on Maxson and are believed to have urged Maxson to fire controversial basketball coach Jerry Tarkanian.

"What are they going to do, call it Mirage U?" Tarkanian remarked to a local reporter, complaining of what he called the **Wynns'** heavy-handed involvement in the university's athletic program.

The **Wynns**, according to university officials, offered the use of the Mirage jet and the hotel to recruit the next basketball coach, Rollie Massimino.

More recently, when Maxson's job was on the line with the elected university regents for his handling of a cheating scandal, the **Wynns** lobbied heavily in the president's

defense. They told one regent -- according to multiple sources -- that if support for Maxson wasn't forthcoming, the regent could count on opposition in the next election. Two swing votes softened and Maxson kept his job.

Local politicians are now wondering whether the **Wynns** will exercise their political influence in next year's elections for governor, mayor, sheriff and district attorney. One of the district attorney candidates is a former county prosecutor who serves as **Wynn's** corporate counsel.

Wynn said when he heard of his attorney's intentions, he immediately offered equal cash donations to both candidates. The other candidate said he declined the gift.

"The **Wynns** are probably the most potent political force in the state of Nevada at this time," said Shelly Berkeley, a university regent, an attorney for the Sands casino and a former assemblywoman.

Politics notwithstanding, **Wynn** remains the casino mogul, the man who shook up the Strip with his \$670-million hotel -- a place that needed \$1 million a day to break even, and made it easily from the start.

For added measure, **Wynn** custom-built a high-tech, 1,500-seat showroom with a stage more than four times larger than Radio City Music Hall, and installed top-draw magicians Siegfried & Roy as permanent entertainers. Their act commands \$72.85 per ticket -- and sells out each of its 480 shows a year.

"He may call this the hotel business," independent producer Kenneth Feld, the owner of Ringling Bros. Barnum & Bailey circus said of **Wynn**, "but he's in the entertainment business and he stands up there with Michael Eisner and Steve Spielberg for their combination of vision and the ability to make it happen."

Meanwhile, the city wonders what **Wynn** will do with his newest property, the site of the old Dunes hotel on which he will build his fourth hotel-casino in Las Vegas.

He will not reveal details, but has said he wants to put 15 acres of the site under water as a lake for championship skiing and other events. That project will force **Wynn** to exercise his political influence: Clark County has barred man-made lakes in Las Vegas.

Wynn likes water. He has lagoons in front of the Mirage and Treasure Island -- junk water from a tainted aquifer that he first runs through his own water treatment plant.

And he proposed that downtown be reinvigorated by turning Fremont Street into a canal. Las Venice? casino owners asked. He built a scale model, but after viewing it through cameras, he admitted that it did not have the "Wow!" impact he seeks in a project.

Instead, renowned architect Jon Jerde -- in town to help the **Wynns** build a new home -- suggested putting three blocks of Fremont Street under a single canopy, to incorporate the downtown casino district as one mega-casino sharing a single promenade. The canopy would provide shade by day, Jerde said, and sparkle at night with a blanket of lights, a Vegas version of the Disney Main Street Parade.

Wynn said he went "Wow!" with that idea. Other casino operators did too, and groundbreaking on the project is set for this fall with the city's blessing.

He cheers the new hotel resorts opening down the street from him and says he will continue to stretch his imagination. "What I do for a living and what keeps me young and happy is creating places where people go 'Wow!' and have fun. It's not that I'm insatiable. It's that I love the exercise."

EXHIBIT 1

STATE OF NEVADA
DEPARTMENT OF STATE
Carson City, Nevada

OFFICE USE ONLY
Date Reg. 7-6-89
Vol. 22 Page 807
Expires 7-6-99

MARK REGISTRATION

IMPORTANT: PLEASE READ INSTRUCTIONS ON REVERSE SIDE BEFORE COMPLETING FORM

1. Please Designate ONE Choice: TRADEMARK ☐ TRADE NAME ☐ SERVICE MARK ☒
2. Mark to Be Registered Treasure Island 3. Class No. 100/107
4. Name of Applicant GNLV, CORP.
5. Business Address P. O. Box 610, Las Vegas, Nevada 89125
6. Applicant is: Individual ☐ Partnership ☐ Corporation ☒ Association ☐ Other ☐
7. If a corporation, give state where incorporated Nevada
8. If a partnership, list names of general partners N/A
9. Date mark was first used anywhere 6/89 In Nevada 6/89
10. If mark used by predecessor in business, give name and address of same:
N/A
11. State specific goods or services in connection with which the mark is used:
slot merchandising
12. (a) If a trademark, check how the mark is used. By applying it: directly to the goods....., directly to the containers for the goods....., to tags or labels affixed to the goods....., to tags or labels affixed to the containers for the goods....., or by displaying it: in physical association with the goods in the sale or distribution thereof.....
(b) If a service mark, by displaying it: in advertisements of the service.....X....., on documents, wrappers, or articles delivered in connection with the service rendered....., in other fashion....., if so, (Specify)
(c) If trade name, the general nature of the business.....

STATE OF NEVADA
COUNTY OF CLARK } ss.

Mark W. Russell
is VP/General Counsel of GNLV, Corp. being first duly sworn, deposes and says that he
herein, and makes this affidavit in its behalf; that he has read the above application and that the
statements and facts set out therein are true; that the applicant is the owner of the mark sought to be registered; that no other
person has the right in the State of Nevada to use such mark either in the identical form set forth in the application or in such
near resemblance to it as might, when applied to the goods or services of such other person, cause confusion or cause mistake
or be calculated to deceive

RECEIVED
JUL 03 1989

Mark W. Russell
Applicant
Vice President/General Counsel
Official capacity

Subscribed and sworn to before me this June 1989.
See instructions on reverse side
SECRETARY OF STATE
STATE CAPITAL COMPLEX
CARSON CITY, NEVADA 89710
NOTARY PUBLIC
STATE OF NEVADA
County of Clark
Rebecca L. Quinn
My Appointment Expires July 25, 1992

Rebecca L. Quinn
Notary Public

TIC 0001

EXHIBIT 2

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2 TRADEMARK TRIAL AND APPEAL BOARD

3
4
5 PRAIRIE ISLAND INDIAN COMMUNITY,)
6)
7 Petitioner,)
8)
9 v.)
10)
11 TREASURE ISLAND CORPORATION,)
12)
13 Respondent.)
14)

15 Reg. Nos. 1,949,380; 1,955,279; 2,010,396;
16 2,176,004; 1,984,421; 2,024,221; 2,019,481;
17 1,918,033; 1,941,475; 1,966,090; 1,903,619;
18 1,943,123; 1,949,379; 1,985,968; 2,040,756;
19 2,040,770; 1,981,369

20
21 Cancellation Nos. 28,126; 28,127; 28,130;
22 28,133; 28,145; 28,155; 28,199; 28,248; 28,280;
23 28,294; 28,314; 28,319; 28,325; 28,342; 28,379;
24 28,171; 28,174

25 DEPOSITION OF MARK RUSSELL, VOLUME II

Taken at the Law Offices of Quirk & Tratos
3773 Howard Hughes Parkway, Suite 500 North
Las Vegas, Nevada

On Thursday, June 24, 1999
At 9:00 a.m.

Reported by: MONIKA C. COYLE
NV CCR No. 523
CA CSR No. 4254

1 groups that track the number of vehicles that are on
2 Interstate 15 between Southern California and Las
3 Vegas. There are highway counts that are taken
4 somewhere along that route, and we have access to
5 those studies to show at any one time how many people
6 are driving on the road.

7 There's studies that are performed at
8 McCarran International Airport that show the volume
9 of traffic on a monthly basis that we have access
10 to. So there's a wide, wide range of information out
11 there that is made available to us.

12 The Gaming Control Board every month
13 issues reports on gaming volumes throughout the
14 state. So there's just, you know, any number of
15 reports that are generated by and produced by any
16 number of people that we have no control over, no
17 involvement with, but that we're able to -- we have
18 access to those -- to that information.

19 Q. Can you tell me what's meant by "slots
20 merchandising services"?

21 MR. McCUE: Objection; asked and answered.

22 THE WITNESS: I think I did answer that.
23 And in the context of -- and I don't know in what
24 context you're asking the question, but the only
25 context that that specific terminology comes to my

1 attention was from a State of Nevada registration.

2 And my recollection of what it was at the
3 time was the category that best described what we
4 were trying to accomplish when we were registering
5 the mark "Treasure Island."

6 BY MR. HAUGEN: (Continuing)

7 Q. Which was what?

8 A. Well, it was in connection with the use of
9 it to name proprietary slot machines that were going
10 to be used and were used at the Golden Nugget and
11 later at The Mirage, that we were going to operate
12 slot tournaments and slot events under that name, and
13 that we might then develop some tangential retail
14 related to that name.

15 Q. How many slot tournaments took place under
16 that name?

17 A. I don't know.

18 Q. Any?

19 A. I don't know.

20 Q. Who purchased the slot machines?

21 MR. McCUE: Objection; vague and
22 ambiguous.

23 THE WITNESS: If we're talking about the
24 slot machines that carried the belly glass and the
25 name "Treasure Island," those originally would have

1 been purchased by GNLV Corp. which operates the
2 Golden Nugget in Las Vegas, Nevada, which is a wholly
3 owned subsidiary of Mirage Resorts and a sister
4 corporation to The Mirage and Treasure Island.

5 BY MR. HAUGEN: (Continuing)

6 Q. Do you know what GNLV Corp. did with the
7 slot machines once they were purchased?

8 A. We put them on the floor for play.

9 Q. Okay. Do you know how long that would
10 have -- how long those were around?

11 A. No, I don't.

12 Q. Who could tell me that?

13 A. I'm not -- I'm not sure. Whoever the
14 people who were in the slot departments at the time
15 at Golden Nugget. I don't know if any of them are
16 even still with the company.

17 Q. Okay. Were they still around when
18 Treasure Island Corp. was created?

19 A. I think a couple of them were, yeah.

20 Q. Does Treasure Island -- does GNLV --
21 strike that.

22 Is GNLV required by law to keep records of
23 the disposition of gaming machines that are either
24 added or removed from their property?

25 A. I think they are, yes.

1 Q. Okay. Are they required to file that
2 information with the State or just keep it on record?

3 A. We're required certainly to file
4 information with the State on the number of machines,
5 because we pay quarterly and annual license fees both
6 to the State and the County. Those filings require
7 you to identify the equipment, I think, by style and
8 denomination, but I think there are only two
9 categories of slot machines and video poker.

10 You don't have to identify, I believe,
11 exactly the name -- you know, how many Elvis
12 machines, how many Wheel of Fortunes, how many
13 Jeopardies, how many Red, White & Blues, how many
14 IGT's, how many Balley's. I don't think you identify
15 it in that fashion. You just identify your generic
16 number so that you can be audited and pay your proper
17 fees and taxes.

18 But there are also other regulatory
19 requirements that obligate you to dispose of your
20 equipment that you retire in certain fashion. So,
21 you know, there probably are -- there are probably
22 records both for acquisition and disposition of
23 machines.

24 The other -- the other problem, which is
25 why I don't know if there would be any records, is

1 you can -- there's nothing that prevents you from
2 changing your equipment. In other words, many -- you
3 know, many manufacturers build a generic slot
4 machine. And in the agreement, you put the belly
5 glass on that you want. You design the esthetics of
6 the equipment the way you want. That can change over
7 time, and I don't have any idea whether there's any
8 obligation to retain that type of information.

9 MR. HAUGEN: Okay. That's it.

10 THE WITNESS: Okay.

11 MR. McCUE: Yes, one copy.

12 Will you copy all the exhibits?

13 MR. HALLORAN: Before we go off the
14 record, there is outstanding questions and answers --
15 your client's answers to the second set of
16 interrogatories. There was a general objection
17 asserted.

18 MR. McCUE: Correct.

19 MR. HALLORAN: And in the event either
20 that the objection is withdrawn or isn't sustained,
21 I'd like to reserve the right, if need be, to be able
22 to follow up with Mr. Russell on questions pertaining
23 to those answers.

24 MR. McCUE: I understand.

25 MR. HAUGEN: And also looking into the

EXHIBIT 3

TREASURE ISLAND BINGO Concessions Account
Riverside Bank #150 552 9

1/23/90

Check No.			
1001	Red Wing Glass Co.	\$2,100.00	
1002	Void	---	
1003	Dakota Electric Assoc	3,665.77	*
1004	Fortier Business Eqt	50.00	
1005	Top Lumber Co.	202.25	
1006	Northland Beverages	262.25	Concessions Exp.
1007	Wausau Insurance Workers' Comp Ins.	2,000.00	*
1008	A.D.P.	323.00	
1009	Donna Goulet-Boyer Gulf Enterprise	3,981.75	
1010	Metz Baking	15.73	Concessions Exp.
1011	Premier Foods	64.85	Concessions Exp.
1012	Suburban Disposal	1,174.79	*
1013	Judith Whipple Concessions petty cash	9.05	Concessions Exp.
1014	T.I. Bingo-Petty Cash	231.02	
1015	Riester Refrigeration	218.40	
1016	Riverside Bank FICA and Employee W/H 1/19 Payroll	2,595.55	
1017	Top Lumber	213.27	
1018	Chandler Insurance	3,665.86	
--	Riverside NSF CHGES	20.00	
		<hr/>	
		\$20,793.54	

1 RIBAL

LUCKY 0329

TO Treasure Island Bingo & Casino SHIP TO Stan Crooks
 ADDRESS 5734 Sturgeon Lake Rd
 CITY Welch, MN 55089 ADDRESS _____

FOR _____ CITY _____

ORDERED QUANTITY	RECEIVED	REQ. NO.	HOW SHIP	DATE REQUIRED	TERMS	PRICE	UNIT
1							
2							
3							
4							
5							
6							
7							

PLEASE SUPPLY ITEMS LISTED BELOW

1 One roundtrip ticket to Las Vegas
 May 7-11, 1990
 238 00

2 Registration Fee for Eighth Annual
 Indian Gaming Conference May 8-10, 1990
 Las Vegas, Nevada
 250 00

3 difference of hotel costs

4 TOTAL \$488 00

5 96 40

6 \$401 60

7

OUR ORDER NUMBER IS _____
 PLEASE NOTIFY US IMMEDIATELY IF YOU ARE UNABLE TO SHIP COM.
 PLEASE ORDER BEFORE _____

PLEASE SEND DATA

COPIES OF YOUR INVOICE WITH ORIGINAL BILL OF LADING.

PURCHASING AGENT
 carbonless

December 31, 1990

To: Lucky Seven Corp.

From: Treasure Island Bingo and Casino

RE: Computer Supplies

7 Ribbons for Brother Printer at \$10.55 each
1 Box computer paper

\$73.85

22.35

\$96.20

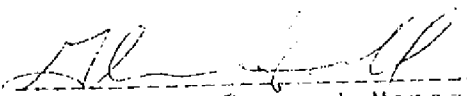
Pl 1/5/91
ae 3025

January 12, 1990

It is agreed that Lucky Seven Corp. will transfer \$2,100.00 into checking account 150-552-9 (Treasure Island Bingo Concessions Account) to cover check number 1001.

Check number 1001 to be paid to Red Wing Glass Co. as partial payment for moving large glass casino wall.

This transfer is to be repaid to Lucky Seven Corp., within two business days of Treasure Island Bingo receiving a check from Theisen Vending Company, say check to cover remodeling of casino area.


Glenn Hall, General Manager
Treasure Island Bingo

LUCKY 0341

LUCKY SEVEN CORPORATION		2621
PAY TO THE ORDER OF <u>TREASURE Island Bingo Concessions</u>		17-127/910
<u>Twenty ONE Hundred</u>		1/17 1990
Riverside Bank		\$ 2,100.00
FOR		00 DOLLARS
⑈002621⑈ ⑆091001270⑆ 150 230 1⑈		

April 1991

EX 46

INDIAN GAMING

The National Magazine of the Indian Gaming Industry



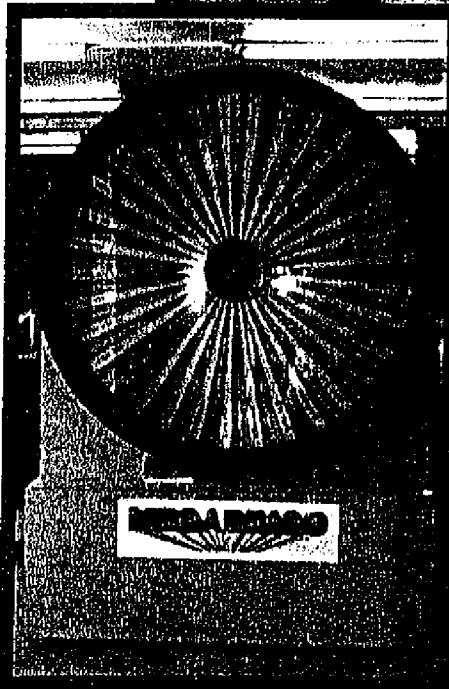
Shakopee
Mdewakanton Sioux's
Gaming Facility



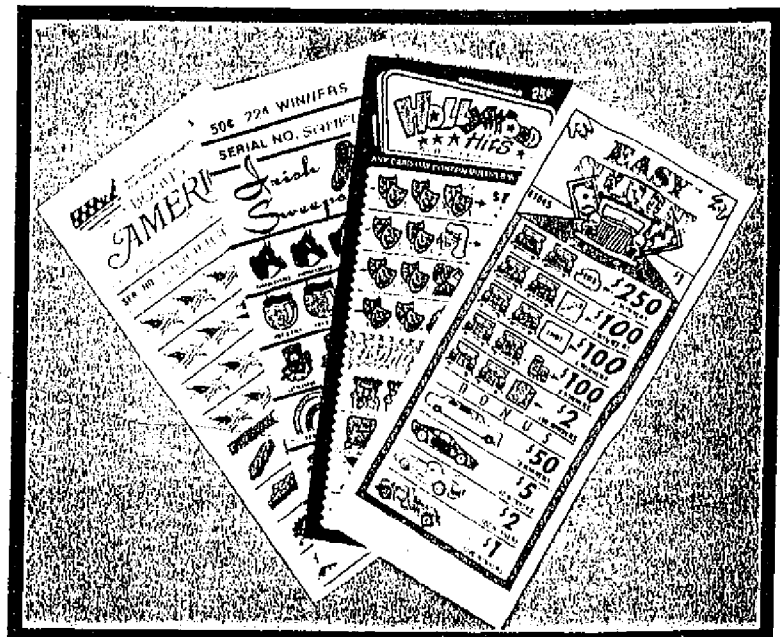
Prairie Island Sioux's
Treasure Island
Bingo & Casino

000475

Pull Tabs for
Fun & Profit



The New MegaWheel



DUPLICATE
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PAID
PERMIT NO. 3539
ROCKVILLE, MD

STAG 00049
16 1 1991
TREASURE ISLAND BINGO & CASINO
5724 BUCKLEBAY DRIVE
05054

EXHIBIT 4



UNITED STATES PATENT AND TRADEMARK OFFICE

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Alerts](#)[eBusiness
Center](#)[News &
Notices](#)[Contact Us](#)**Trademark Electronic Search System(Tess)***TESS was last updated on Sat Mar 12 04:28:25 EST 2005*[PTO HOME](#)[TRADEMARK](#)[TESS HOME](#)[NEW USER](#)[STRUCTURED](#)[FREE FORM](#)[BROWSE DICT](#)[BOTTOM](#)[HELP](#)[Logout](#)

Please logout when you are done to release system resources allocated for you.

Record 1 out of 1**Check Status***(TARR contains current status, correspondence address and attorney of record for this mark. Use the "Back" button of the Internet Browser to return to TESS)***Typed Drawing**

Word Mark	TREASURE ISLAND AT THE MIRAGE
Goods and Services	IC 025. US 039. G & S: clothing, namely T-shirts, sweatshirts, jogging suits, jackets and caps. FIRST USE: 19921007. FIRST USE IN COMMERCE: 19921007
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	74433476
Filing Date	September 7, 1993
Current Filing Basis	1A
Original Filing Basis	1A
Published for Opposition	August 30, 1994
Registration Number	1918033
Registration Date	September 12, 1995
Owner	(REGISTRANT) Treasure Island Corp. CORPORATION NEVADA 3300 Las Vegas Blvd. South Las Vegas NEVADA 89109
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	WHITNEY THIER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Affidavit Text	SECT 8 (6-YR).

EXHIBIT 5



United States Patent and Trademark Office

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Record 1 out of 1

Check Status*(TARR contains current status, correspondence address and attorney of record for this mark. Use the "Back" button of the Internet Browser to return to TESS)*

Typed Drawing

Word Mark	TREASURE ISLAND AT THE MIRAGE
Goods and Services	IC 041. US 100 101 107. G & S: casino services. FIRST USE: 19931026. FIRST USE IN COMMERCE: 19931026
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	74417687
Filing Date	July 23, 1993
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	November 28, 1995
Registration Number	2010396
Registration Date	October 22, 1996
Owner	(REGISTRANT) Treasure Island Corp. CORPORATION NEVADA 3300 Las Vegas Blvd. South Las Vegas NEVADA 89109
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	Edward J. Quirk
Type of Mark	SERVICE MARK
Register	PRINCIPAL
Affidavit Text	SECT 8 (6-YR).
Live/Dead Indicator	LIVE

[PTO HOME](#) [TRADEMARK](#) [TESS HOME](#) [NEW USER](#) [STRUCTURED](#) [FREE FORM](#) [BROWSE DICT](#) [TOP](#) [HELP](#)



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Trademark Electronic Search System(Tess)

TESS was last updated on Sat Apr 9 04:24:51 EDT 2005

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Record 1 out of 1

Check Status*(TARR contains current status, correspondence address and attorney of record for this mark. Use the "Back" button of the Internet Browser to return to TESS)*

Typed Drawing

Word Mark	TREASURE ISLAND AT THE MIRAGE
Goods and Services	IC 042. US 100 101. G & S: hotel services. FIRST USE: 19931123. FIRST USE IN COMMERCE: 19931123
Mark Drawing Code	(1) TYPED DRAWING
Serial Number	74417688
Filing Date	July 23, 1993
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	July 5, 1994
Registration Number	1984421
Registration Date	July 2, 1996
Owner	(REGISTRANT) Treasure Island Corp. CORPORATION NEVADA 3300 Las Vegas Blvd. South Las Vegas NEVADA 89109
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	DANA ROBINSON
Type of Mark	SERVICE MARK
Register	PRINCIPAL
Affidavit Text	SECT 8 (6-YR).
Live/Dead Indicator	LIVE

[PTO HOME](#) | [TRADEMARK](#) | [TESS HOME](#) | [NEW USER](#) | [STRUCTURED](#) | [FREE FORM](#) | [BROWSER DICT](#) | [TOP](#) | [HELP](#)

EXHIBIT 6

ASSIGNMENT OF MARK

~~Rebecca L. Quinn~~ of the state of Nevada, for ~~all right, title and interest~~ good and valuable consideration, the receipt of which is hereby acknowledged, the

undersigned hereby assigns unto Treasure Island Corp.

Address 3300 Las Vegas Boulevard South

Las Vegas, Nevada 89109

all right, title and interest, together with the good will of the business in which the mark is used, or with that part of the good will of the business connected with the use of and symbolized by the mark.

Name of mark TREASURE ISLAND

How mark is used slot merchandising services

Name of owner of mark GNLV Corp.

Address Post Office Box 610

Las Vegas, Nevada 89109

Witness our signatures this the 22 day of November, 19 94

GNLV Corp.

By Barry Shier
Barry Shier, President

STATE OF NEVADA

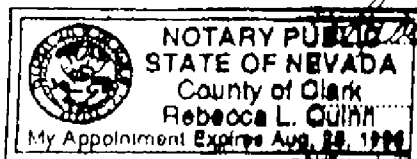
COUNTY OF CLARK

Personally came and appeared before me the undersigned authority in and for said county and state, and while within my said jurisdiction, the within named Barry Shier, President of GNLV Corp.

owner of the above mark, who acknowledged that he (they) executed the above and foregoing assignment of mark on NOV 22 1994 day and year herein written.

Given under my hand and seal of office this the 14th day of November, 19 94

Secretary of State



Rebecca L. Quinn, Notary Public
Rebecca L. Quinn, Notary Public

My Commission Expires

THIS FORM MUST BE FILED WITH THE SECRETARY OF STATE AND MUST BE ACCOMPANIED BY A \$50.00 FEE.

EXHIBIT 7

Flemke Exhibit 36

Date 6-17-99

DEBBY J. CAMPEAU, RPR

Treasure Island Resort & Casino

A Caribbean paradise at your back door

by Stephanie Peden

Lush palm trees and colorful exotic flowers surrounding a cascading waterfall. Sandy beaches, island villages and a tropical jungle. Sound like a Caribbean paradise? Well it is, but visitors don't have to travel to the Caribbean, they only have to go as far as Red Wing, Minn.

Treasure Island Resort & Casino, which is owned and operated by the Prairie Island Indian Community, is a Caribbean paradise in the heart of the United States. Nestled among the bluffs of the Mississippi River in southern Minnesota is this rare escape to the Caribbean. The Caribbean theme makes the land the only themed casino in the Midwest.

"It is a unique and compelling experience that differentiates our facility from others. We feel the tropical theme adds to the excitement and value at Treasure Island,"

— Treasure Island General Manager Jim Kakimoto.

In 1984, Treasure Island started as a 30,000-square-foot bingo operation. The 1988 passing of the Indian Gaming Regulatory Act (IGRA) allowed them to expand their gaming, adding blackjack tables and slot machines. Since then, Treasure Island has come a long way. Today the total casino resort is 375,000 square feet, with 1,500 slot machines, 60 blackjack tables, as well as video poker, craps and more.

Treasure Island employs 1,450 people, 57 percent of which are Native American, and is the single largest

employer in Goodhue County. An average of 5,000 to 6,000 people visit Treasure Island every day.

But those at Treasure Island wanted to offer more than just a large casino, they wanted to make it a destination for travelers from the Midwest and beyond. So they hired Totally Fun Design, a Florida-based company, to incorporate a Caribbean theme to make the facility compelling and exciting enough to draw people to Treasure Island.

They then hired the design/build team of Worth Group Architects, AmerIndian Architecture and Knutson Construction Company to add a 250-room resort, which opened in December 1996. Guests at the resort choose between the luxurious rooms and private whirlpool suites that include four-poster beds and wet bars. The resort also has a waterfall-filled tropical swimming pool with hot tubs, a fitness room, child care facilities, video arcade and the Emerald Bay Club Lounge.

Not only did Treasure Island bring the sights and sounds of the Caribbean to Minnesota, they also brought the delectable tastes as well. Javas, a fine dining restaurant, offers visitors a choice of dishes that range from buffalo to frog legs to swordfish. Or, those interested in

a quick snack can head to the Morongo Bay Grill for burgers, fish or chicken. For complete indulgence, the newly expanded 400-seat Tradewinds Buffet has culinary favorites as well as some exotic new additions. Every Friday night is a seafood buffet and every Saturday night is a prime rib buffet. In addition to all this, Treasure Island offers private charters, sightseeing, and dinner cruises on their luxury ship, the Island Princess.

The Island Princess is docked at the 137-slip marina on the Mississippi River and is part of the resort casino complex. There is also a RV park and campground. Visitors can also enjoy the surrounding communities and outdoor activities because Treasure Island is just minutes away from golfing, shopping,



EXHIBIT 8

PURCHASE ORDER



B

PURCHASE ORDER NO.

P.O. BOX 610 • LAS VEGAS, NEVADA 89125 • (702) 385-7111

TO

W.H. WAARD CO.
Box 26041
Salt Lake City, UT 84126-0041
Attn: John H. Evans

SHIP TO

FOR

Production of 30 sheet slot posters, 60

DATE REQUIRED

DATE

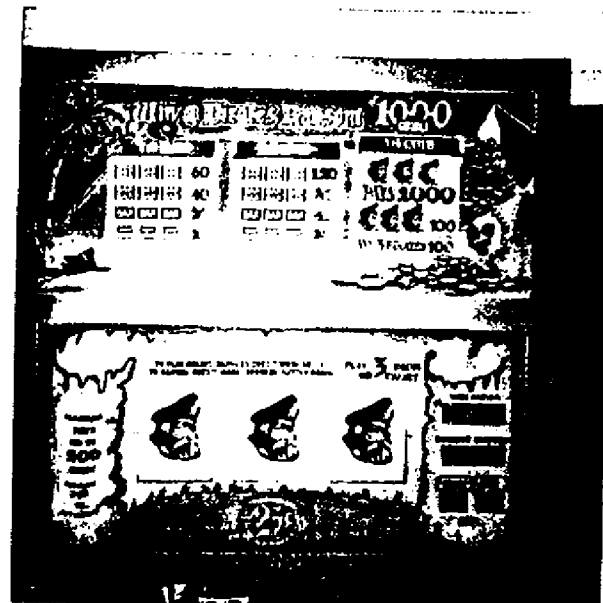
7/7/09

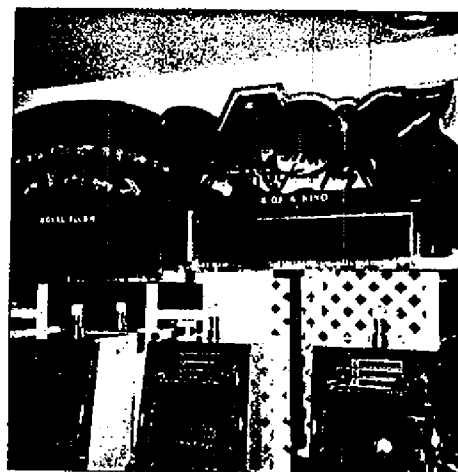
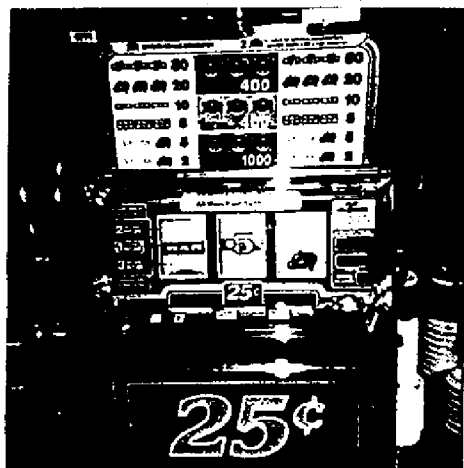
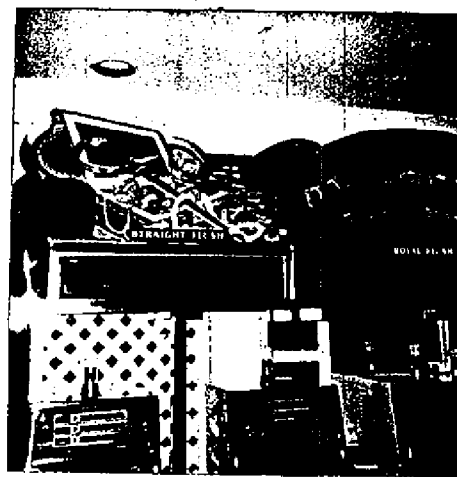
QUANTITY ORDERED	PLEASE SUPPLY ITEMS LISTED BELOW	PRICE	UNIT	AMOUNT
10	World's Biggest Jackpot	\$127.00		
10	Blackjack	\$127.00		
10	Casino Prize	\$127.00		
10	Thunderbolt	\$127.00		
10	Rolling	\$403.00		
10	4-way Progression	\$403.00		
10	Treasure Island	\$403.00		
Quantity pricing includes shipping.				
Total Total:				

PLEASE SEND

COPIES OF YOUR INVOICE WITH ORIGINAL BILL OF LADING.

PURCHASING AGENT





Measure Island

DATE Aug 23 '89

CUSTOMER

CHARGE ✓ COD 4064

CONTACT Andrew P. Reed PO # A-00953

PAGE 1 OF

DUE DATE Sept 20 '89

PHONE #

ORDER QTY	DESC	PART #	LO #	PRINTED STOCK	SIZE	NEED	EXTRA	PRINT	RAW STOCK	DATE ORDERED	DATE SHIPPED	PI #
6	Award 6/ASS	73412	2701-E	③ M	9 3/4 x 19 1/2							
6	" "	73411	2700-E	③ M	" "							
6	" "	73413	2702-E	③ M	" "							
18	Bulky glass	71373	2691-E	③ M								
6	Reel glass 20/18	72203	2692-E	③ M	8 1/4 x 19 3/8							
6	Reel glass 3 line	72196	2693-E	③ M	" "							
6	Reel glass	72195	2692-E	③ M	" "							
6	Alupa	40788	754-S	③ M	Kitch?							
6	Alupa	40790	755-S	③ M								
6	Alupa	40786	753-S	③ M								
6	Alupa	40787		③ M								

SHIP TO

DELIVER / PICK UP

UPS - REG / AIR
FED EX - STAND / 1 DAY
YELLOW / ANDERSON / AIR
OTHER

COLLECT PREPAID

INSURANCE VALUE \$

COMMENTS:

Kitch art will be adjusted before you can print - will keep same part numbers

Golden Nugget

LAYOUT NO. 2691-E



PART NO. 71373

PART NO.

MODEL REF. NO.

SIZE AVAILABLE:

7 1/4 x 13 3/4

8 x 15 1/4

8 x 20 1/4

8 x 19 1/2

8 x 17

8 x 17 5/8

8 5/8 x 17

8 5/8 x 18 1/2

14 x 19 1/2

OTHER:

TIC 1137

REEL GLASS

VARIATIONS:

*Print half tone after printing water; do not combine run

COLORS:

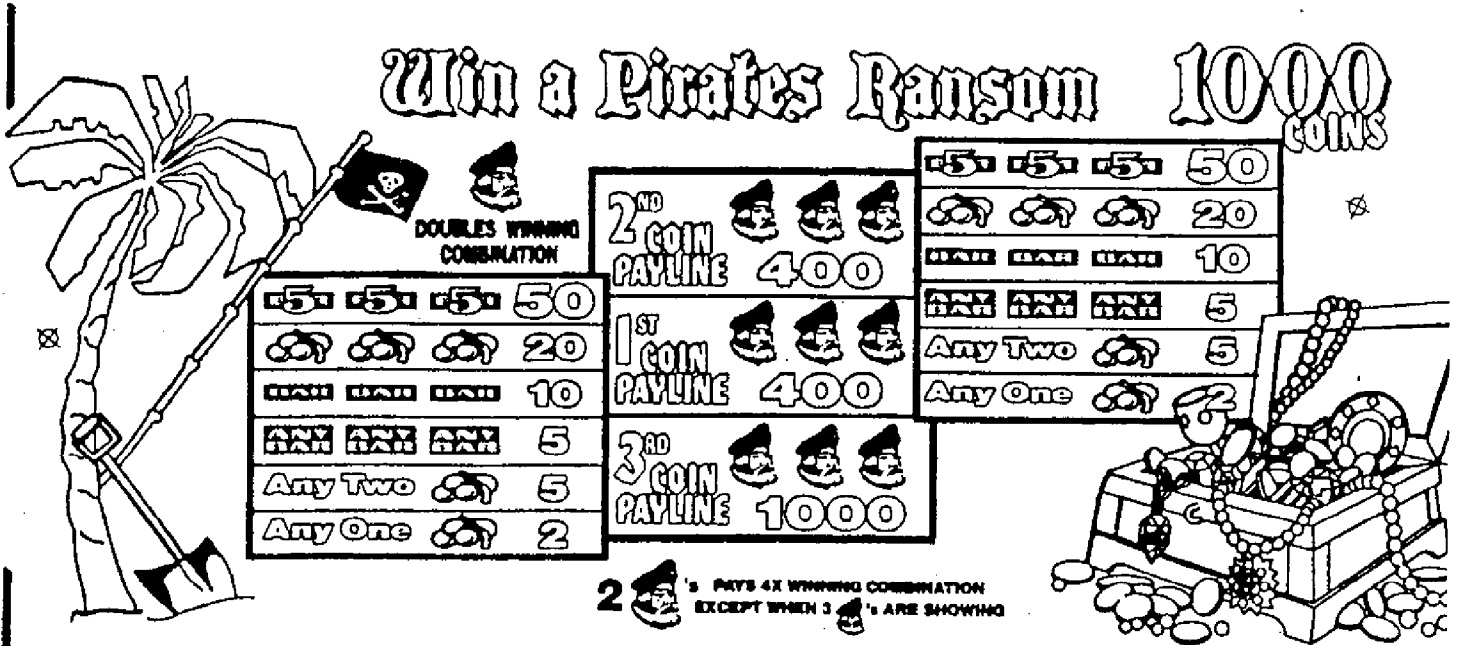
MAIN BACKGROUND

- | | | |
|---------------------|-----------------|---------------------|
| 1 HL 710 Black | 6 IGT 400 Green | 11 Pt 473 Lt. Flesh |
| 2 Gold | 7 HL 502 Red | 12 SG 1057 Purple |
| 3 SG 701 Smoke | 8 HL 207 Yellow | 13 SG 1057 Purple |
| 4 SG 527 Blue-Green | 9 SG 806 Brown | *14 HP 2113 Dk Blue |
| 5 HL 520 Red | 10 SG 109 Flesh | 15 IGT 500 Lt Blue |
| | | 16 KP 29920 White |

Suburban, Inc. 2901 S. HIGHLAND #13-C

DAN HUGHES

Win a Pirates Ransom 1000 COINS




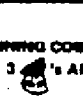
DOUBLES WINNING COMBINATION

50	50	50	50
20	20	20	20
10	10	10	10
5	5	5	5
Any Two	Any Two	Any Two	Any Two
Any One	Any One	Any One	Any One

2ND COIN PAYLINE 400

1ST COIN PAYLINE 400

3RD COIN PAYLINE 1000

2  **PAYS 4X WINNING COMBINATION EXCEPT WHEN 3  ARE SHOWING**

PART NO.

73411

PART NO.MODEL REF. NO.SIZE AVAILABLE:

7 1/4 x 13 3/4

8 x 15 1/4

35
8 x 20 1/433
8 x 19 1/223
8 x 1725
8 x 17 5/824
8 5/8 x 1734
8 5/8 x 19 1/2

14 x 19 1/2

OTHER: 19 1/2 x 9 3/16

REEL GLASSVARIATIONS:

TIC 1132

COLORS:

MAIN BACKGROUND KP2113 blue / 1GT 500 blue / HL 207 yellow

1 HL-710 black

6 1GT 400 green

11 HL 207 yellow

2 gold

7 HL-502 red

12 KP-2113 blue

3 SG-701 smoke

8 SG-804 dk flesh

13 1GT 500 blue

4 SG-806 brown

9 SG-109 flesh

14 SG-804 light brown

5 HL-520 dark red

10 SG-205 yellow

15 SG 1030 pearl

Suburban
Lites, Inc. 2901 S. HIGHLAND, #13-C

16. KP-29920 white
DAN HUGHES

Golden Nugget

LAYOUT NO. 2702-E

Win a Pirates Ransom

1ST COIN

3 Pirates	800
5 5 5	50
3 3 3	20
BAR BAR BAR	10
SG SG SG	5
Any Two 3	5
Any One 3	2

2ND COIN

3 Pirates	1600
5 5 5	100
3 3 3	40
BAR BAR BAR	20
SG SG SG	10
Any Two 3	10
Any One 3	4

DOUBLES WINNING COMBINATION PAYS 4X WINNING COMBINATION EXCEPT WHEN 3 '5' ARE SHOWING

SUBURBAN GRAPHICS STOP 2 ON 10/8/75

PART NO.

73413

PART NO.

MODEL REF. NO.

SIZE AVAILABLE:

7 1/4 x 13 3/4

8 x 15 1/4

35
8 x 20 1/4

33
8 x 19 1/2

23
8 x 17

25
8 x 17 5/8

24
8 5/8 x 17

34
8 5/8 x 19 1/2

14 x 19 1/2

OTHER: 9 1/2 x 9 3/4

REEL GLASS

VARIATIONS: * 8. mixture between SG 109 & SG 806

COLORS:

MAIN BACKGROUND

KP-2113 blue w/
1GT 500 blue

HL 207 yellow

1 HL-710 black

6 1GT 400 green

11 HL 207 yellow

2 gold

7 HL 502 red

12 KP-2113 dk blue

3 ~~SG-101 smk~~

8 ~~SG-101 smk~~

13 1GT 500 lt blue

4 SG-806 brown

9 ~~SG-101 smk~~

14 SG 804 light brown

5 HL-520 dark red

10 SG-205 yellow

15 SG 1030 pearl

Suburban
1/2A, Inc. 2901 S. HIGHLAND, #13-C

TIC 1143

11, KP-29920 white
DAN HUGHES



EXHIBIT 9

MERCHANT & GOULD

Merchant, Gould, Smith,
Edell, Welter & Schmidt
Professional Association
Patent, Trademark &
Copyright Lawyers

3100 Northwest Center
90 South Seventh Street
Minneapolis, Minnesota
U.S.A. 55402-4131
FAX 612/332-9081
Telex 290593 M&G Nps
612/332-5300

Direct Dial: 336-4728

John D. Gould
Phillip H. Smith
Robert T. Edell
Paul A. Welter
Cecil C. Schmidt
John S. Summers
Alan G. Carlson
Michael L. Schwegman
Earl D. Reiland
Charles E. Golla
Douglas J. Williams
Douglas A. Strawbridge
Albert L. Underhill
D. Randall Ring
Michael R. Lasky
Curtis B. Hamre
Michael D. Schumann
Michael L. Mao
John A. Clifford
Mark J. DiPietro
Steven W. Lundberg
Warren D. Woessner

Timothy R. Conrad
Alan W. Kowalczyk
Daniel W. McDonald
...
David G. Johnson
Robert C. Freed
Daniel J. Kluth
Wendy M. McDonald
Linda M. Byrne
Mark D. Schuman
Randall A. Ellison
John P. Sumner
Brian H. Batzli
David K. Tellekson
John J. Gressens
Paul E. Lacy
Michelle M. Michel
Philip P. Caspers
Gregory A. Sebald
Albin J. Nelson
Robert C. Beck
Kristine M. Strudthoff

Gregory M. Taylor
Steven C. Brues
Joel A. Rothfus
Kevin W. Easch
Karl G. Schwappach
Matthew J. Goppin
Anthony C. Mundel
Mark J. Gebhardt
Andrew D. Serenien
Stephanie J. Smith
Kari S. Harris
Katherine M. Kowal
David M. Crompton
Glenn M. Seager
Peter J. Gafner
J. Derek Vandenberg

O/ Counsel
R. Carl Moy

April 15, 1992

Mr. Ron Valentine, General Manager
Treasure Island Casino & Bingo
5734 Sturgeon Lake Road
Welch, MN 55089

Re: M&G 9818.0-00-01 - Trademark Search

Dear Mr. Valentine:

We have now completed our review of the trademark availability search results and for the TREASURE ISLAND service marks for use in connection with gaming services. In brief, it is our opinion that it is unlikely that you will be able to obtain a federal registration for the mark, but it appears that you should be able to obtain a state registration.

The search turned up a variety of federal registrations for variations of TREASURE ISLAND as well as TREASURE ISLAND registrations in a number of classes. As we have discussed, the most relevant mark discovered in the search is TREASURE ISLAND HOTEL & CASINO ST. MAARTEN, N.A., registered for educational and entertainment services and owned by Treasure Island N.V. Netherlands Antilles Corporation. The mark is federally registered and, unfortunately, also has a use prior to your first use of Treasure Island. The portions of the mark "HOTEL & CASINO" and "ST. MAARTEN, N.A." have been disclaimed, leaving only TREASURE ISLAND. Since we believe that "CASINO & BINGO" would have to be disclaimed for your mark, we believe that there is a likelihood of confusion and therefore an application for a federal registration would likely be denied.

Mr. Ron Valentine
April 15, 1992
Page 2

In the search of state registrations and common law marks, several marks for TREASURE ISLAND were uncovered. However, none would appear to block registration in Minnesota. As we had discussed on the phone, we are proceeding with preparing an application. If you decide to continue, you should also consider filing in other states in which you are actively advertising and drawing customers using the TREASURE ISLAND marks. It appears that Wisconsin and Iowa, among others, would also be available for registration.

A relevant mark, and one which you had expressed concern over, was the registration of TREASURE ISLAND in Nevada. The goods and services listed were Hotel & Casino. The mark has a first use of October 27, 1988, again preceding your first use. The mark is registered to Jerald J. White d/b/a Four Torey Corporation. After review of the Business Week article, it is not clear whether this is the same entity headed by Steve Wynn.

Also of interest, you might note that TREASURE ISLAND has been registered in Nevada for Slot Merchandising to GNLV Corporation. In addition, TREASURE CHEST has been registered in Nevada for a Casino to Donald L. Owens and TREASURE CHEST has been registered in Nevada for a Proposed Hotel & Casino to David J. Morrison.

Since the mark for the Netherlands Antilles is registered and has a first use preceding the other first use dates, we believe that it should block federal registration of the Nevada TREASURE ISLAND marks.

The mark for the Netherlands Antilles will have an affidavit of current use due in December of this year, we will monitor whether such an affidavit is filed. If no affidavit is filed, the mark will be cancelled. Note that we have checked and the hotel is still in business at this time. However, should the mark be cancelled, we believe that we could file for a federal registration before any of the other owners of TREASURE ISLAND marks. Since the Nevada mark has a prior use, they could also file, but if we file first, then they could only request a concurrent use registration. With a concurrent use registration, each party may only use the mark in designated geographic areas.

You had expressed concern regarding Steve Wynn's plans for his new TREASURE ISLAND casino in Las Vegas. Since it involves a huge investment, we can assume he will try to protect and enforce his rights and we should continue to watch his operations. Therefore, we are now monitoring the mark TREASURE ISLAND on our trademark board. We also note that he is developing casinos on Native American land in Kansas and in Washington state. As we had discussed, he will certainly find out about your business and use of TREASURE ISLAND. Should any issues arise, we may want to consider sending a warning letter.

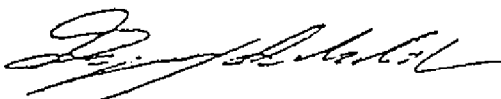
Mr. Ron Valentine
April 15, 1992
Page 3

We will proceed with the state registration for TREASURE ISLAND and monitor whether the federal registration for the mark has been renewed. Please review our proposals in light of the plans for the casino. We would be happy to meet and further discuss the courses of action available. As always, if you should have any questions, please do not hesitate to call.

Sincerely,

MERCHANT, GOULD, SMITH, EDELL,
WELTER & SCHMIDT, P.A.

By:





Gregory A. Sebald

GAS:mdh

cc: William J. Hardacker, Esq.
Michelle M. Michel, Esq.

EXHIBIT 10





TRITON'S

Replay Intro

[PARK INFO] [PARK NEWS] [DIRECTIONS] [TICKETS] [RIDES / ATTRACTIONS] [LODGING]

LODGING...STAY AND PLAY RIGHT AT MT. OLYMPUS

LOOKING FOR A HOTEL DURING YOUR STAY? WELL LOOK NO FURTHER THAN TREASURE ISLAND RESORT LOCATED AT MT. OLYMPUS WATER & THEME PARK.


Thursday, April 14, 2005


1-608-254-2490

info@mtolympusthemepark.com


BUDGET ACCOMODATIONS

HOTEL PACKAGE DEAL





At Mt. Olympus



TREASURE ISLAND RESORT FEATURES MORE THAN 330 GUESTROOMS FROM STANDARD DOUBLE QUEEN TO LUXURIOUS SUITES WITH TWO PRIVATE BEDROOMS. ALL OF OUR ROOMS HAVE A REFRIGERATOR, MICROWAVE, COFFEE MAKER, HAIR DRYER, TELEPHONE AND T.V. BEST OF ALL, THAT TREASURE ISLAND RESORT IS PART OF THE NEW MT. OLYMPUS WATER & THEME PARK, YOU HAVE ACCESS TO ALL THE MANY ACTIVITIES THE "MEGA PARK" HAS TO OFFER. FROM GO-KARTS TO ROLLER COASTERS TO WATER SLIDES AND WATER POOLS, ITS ALL INCLUDED IN YOUR STAY AT TREASURE ISLAND.

CLICK HERE TO VISIT THE TREASURE ISLAND WEBSITE

© 2005 Mt. Olympus Water & Theme Park. All Rights Reserved.

1-608-254-2490 | info@mtolympusthemepark.com

Design by Total Marketing

Do you know your credit score?

780

[Click Here](#)

Directions

[Print](#) | [E-Mail](#) | [Send to Phone](#) | [PDA](#) | [New Directions](#)

START

Red Wing, MN 55066, US - [Red Wing Hotel Offers](#) - [Red Wing Flight Offers](#)

END

1701 Wisconsin Dells Pkwy
Wisconsin Dells, WI 53965, US - [Wisconsin Dells Hotel Offers](#) - [Wisconsin Dells Flight Offers](#)



Find Nearby:

(e.g., Theaters)

Red Wing, MN 55066

Top Categories

Search Wisconsin

Wisconsin Dells

- [Wisconsin Dells Hotel](#)
- [Wisconsin Dells Insur.](#)
- [Wisconsin Dells Schor](#)
- [Wisconsin Dells Flight](#)
- [Wisconsin Vacations](#)
- [Wisconsin Dells Home](#)
- [Wisconsin Homes](#)
- [Wisconsin Dells New](#)
- [Wisconsin Resorts](#)
- [Wisconsin Dells Apart](#)
- [Wisconsin Dells Jobs](#)
- [Wisconsin Dells Real](#)

Or

Maneuvers

Distance Maps

Reverse Route | Revise Route

- | | | | |
|--|--|------------|---------------------|
| | 1: Start out going EAST on PIONEER RD/COUNTY 66 BLVD toward TWIN BLUFF RD. | 0.1 miles | Map |
| | 2: Turn SLIGHT LEFT onto TWIN BLUFF RD. | 0.6 miles | Map |
| | 3: TWIN BLUFF RD becomes WEST AVE. | 0.7 miles | Map |
| | 4: Turn LEFT to stay on WEST AVE. | 0.3 miles | Map |
| | 5: Take US-61 S. | 85.8 miles | Map |
| | 6: US-61 S becomes I-90 E. | 87.6 miles | Map |
| | 7: Take the WI 13 N N exit- EXIT 87- toward WIS DELLS. | 0.7 miles | Map |
| | 8: Merge onto WI-13 N. | 0.6 miles | Map |

EXHIBIT 11

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2 TRADEMARK TRIAL AND APPEAL BOARD

3
4 PRAIRIE ISLAND INDIAN COMMUNITY,

5 Petitioner,

6 vs.

7 TREASURE ISLAND CORPORATION,

8 Registrant.

9
10
11
12
13
14
15
16 * * * * *

17 DEPOSITION OF

18 DOLORES (LORI) M. KNAPP

19 * * * * *

20
21
22
23
24
25 DATE TAKEN: 07/30/02 REPORTED BY: CINDY M. TRATTLES

1 Q And you were the manager over all ten?

2 A Yes. They also took phone calls besides
3 reservations, but I took care of all of them.

4 Q At that time how did the reservations come in to the
5 property?

6 A On an 800 number, most of the time.

7 Q Was that the only way?

8 A Well, you could dial our local number and be
9 transferred to that.

10 Q They were only by telephone reservations?

11 A The ones in the back of house, occasionally people
12 would walk up to the front desk and make
13 reservations; but I was not in charge of the front
14 desk people at that time.

15 Q Okay. Anything else you did as the reservation
16 supervisor as far as duties?

17 A Give management.

18 Q Were you responsible for any policies or procedures
19 that were used by reservations?

20 A Not at that time.

21 Q Who was at that time?

22 A Don Peterson.

23 Q What was his position?

24 A Reservation manager.

25 Q Okay. Before your family restaurant did you have

1 Q Has your staff ever added those words that we
2 discussed earlier today "from Minnesota" or "of
3 Minnesota" or "Red Wing, Minnesota", have they ever
4 done that at all since Mr. Peterson and Buchanan
5 left?

6 A No.

7 Q And, again, the date you said was the end of '97
8 when they left?

9 A That's my guess. I'm not sure. I think they were
10 here for just about a year. I don't have the exact
11 dates that they left.

12 Q All right. Was that as a result of just common
13 practice or did you actually instruct them: You no
14 longer need to add those names or that phrase on
15 there?

16 A They asked if they could drop that because it was
17 cumbersome.

18 Q The operators said it was cumbersome to say "in
19 Minnesota"?

20 A "In Red Wing Minnesota", or whatever it was they
21 were saying, yes. Every word you add is cumbersome.

22 Q Has there been any discussion to add that back?

23 A No.

24 Q Well, let me ask you: Why would you not add that
25 back if you believe that there's some type of

1 misdirection going on as to phone calls to your
2 office?

3 A Because it's cumbersome and we answer thousands of
4 calls a month and every word adds time. So for
5 speed and efficiency we stopped doing it. And also
6 the operators were very uncomfortable saying it.

7 Q Well, this is a front office question. But wouldn't
8 it be easier to say "from Minnesota" and have a
9 phone call end as opposed to taking reservation
10 information down and then ending a phone call later?

11 A Well, I think I told you before that starting in May
12 all of our calls -- or I should say most of the
13 calls that we're getting for wrong Treasure Island
14 are now coming in on our 888 number. So forcing the
15 people that answer the 1-800-222-7077 to say even
16 one more word when they answer thousands of calls is
17 cumbersome. And as far as reservations, we try to
18 catch it when we find out they're coming from
19 someplace outside the five-state area.

20 Q All right. Other than it being cumbersome, is there
21 any reason you don't add that extra phrase "in
22 Minnesota"?

23 A Cumbersome is I think enough. It's awkward and it's
24 cumbersome. It lowers the morale. They hate it
25 when they have to say anything longer than what they

1 do. So it was a decision that we made of myself
2 along with my old director that they could drop
3 that.

4 Q All right. Well, you'd agree, wouldn't you, that by
5 not identifying yourself as from Minnesota there's a
6 greater likelihood that people might not know that
7 you are not in Las Vegas?

8 MR. HALLORAN: Object, calls for
9 speculation.

10 A I still answer?

11 Q (By Mr. Allen) Yes.

12 A I agree that I've said the greeting before and
13 anything else is cumbersome. And we're mostly
14 concerned with satisfying our guests, not yours.

15 Q All right. Actually, they're not mine either.

16 A Well, whoever you're representing.

17 Q I understand. Treasure Island corporation.

18 MR. ALLEN: All right. One more group.
19 This group has under "How did they get the number?"
20 a question mark.

21 (WHEREUPON, Exhibit 17 was marked for
22 identification by the court reporter.)

23 Q (By Mr. Allen) What are the bases for your staff to
24 put a question mark there when they got everything
25 else filled out apparently?

1 Q Yes.

2 A Yes, I created it.

3 Q Okay. Could you explain what that is?

4 A Sure. In May I explained to you earlier that we
5 changed our long distance carrier and I discovered
6 we were no longer on 800 Directory Assistance, so I
7 contacted Robin at Norlight and she got us on 800
8 Directory Assistance. It's pretty much documented
9 in here.

10 On 05/01 we noticed an increase in calls
11 for Treasure Island - Las Vegas. I called the 800
12 directory toll-free assistance and found some
13 confusion when asking for our 800 number. The
14 toll-free Directory Assistance is all automated now
15 and this is what I found: If I dial and ask for
16 "Treasure Island Casino", it gives me the number for
17 Treasure Island at the Mirage. If I dial and ask
18 for "Treasure Island Resort & Casino", it says,
19 "There are two listings that match your criteria,
20 for Treasure Island at the Mirage, press 1; for
21 Treasure Island Resort and Casino, press 2. If you
22 pressed 2, you got our number. And I wrote, "I
23 believe people don't realize that Las Vegas is at
24 the Mirage and they press 2 for our number."

25 If I dial and ask for just "Treasure

1 Island", I get three options. #1 tells me that this
2 number is based in three different locations. It
3 tells me to press 1 for Healeah, Florida, press 2
4 for Ellsworth, Maine; 3 for Lawrenceville, New
5 Jersey; and press 4 for Wisconsin Dells. At the
6 main greeting #2 is for Treasure Island at the
7 Mirage and #3 is for us.

8 Q Okay.

9 A I asked Bob Cote to talk to Robin Jacobs at Norlight
10 Communications. I told her to call me and I'd
11 explain our situation to see if she could help.

12 Then Robin E-mailed me and said, "Hi, I
13 believe that as of this morning, we have this
14 working correctly. Can you please do a few test
15 calls and confirm that Directory Assistance is
16 promoting you correctly?" And then she said Bob
17 will start billing.

18 Then I wrote her back and I wrote her back
19 that, no, it's still not right. Now if you ask for
20 Treasure Island it gives three options. The first
21 one is for multiple Treasure Island locations. I go
22 on to explain exactly what you get.

23 And then the third page that I have here is
24 as of 7-14 if you call 1-800-555-1212, this is what
25 you get.

EXHIBIT 12

[Yahoo!](#) [My Yahoo!](#) [Mail](#)
YAHOO! FINANCE
[Sign In](#)
[New User? Sign Up](#)
[Finance Home](#) - [Help](#)
[Search](#)
[Welcome \[Sign In\]](#)
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[To track stocks & more, Regi](#)
 Enter symbol(s)

 Basic

 Get

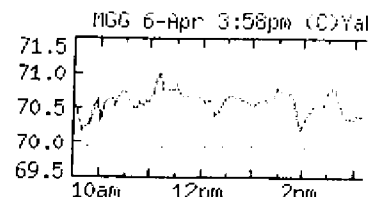
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MGM MIRAGE Among Forbes List of 'Best Managed Companies in America'

Thursday January 6, 3:00 pm ET



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LAS VEGAS, Jan. 6 /PRNewswire-FirstCall/ -- Forbes magazine has named MGM MIRAGE (NYSE: MGG - News) one of the "Best Managed Companies in America," as part of its annual Forbes Platinum 400 list of top-performing big corporations. MGM MIRAGE was cited alongside only 25 other companies and was recognized as first in the "Hotels, restaurants and leisure" category.

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ME	MI	MN	MO	MS
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NY	NC	ND	OH	OK
OR	PA	RI	SC	SD
TN	TX	UT	VA	VT
WA	WI	WY		

"This recognition reflects our company's solid business practices, financial viability, and outstanding performance," said Terry Lanni, Chairman and CEO of MGM MIRAGE. "The commitment of each of our employees and the dedication of our management team has made this recognition possible."

To identify leaders from each industry category, Forbes ranked companies within their industry by many financial metrics, including growth in sales and earnings, leverage, stock market returns and

earnings forecasts. From these ranks, each company received a composite score. Next, a financial analytics firm determined an overall score on each company for accounting and governance practices, financial condition and earnings quality. Finally, Forbes editors and writers looked closer at the top-ranked companies in each industry and considered factors that might not show up on a financial scorecard. From this process, the winners were selected for each industry.

MGM MIRAGE (NYSE: MGG - News), headquartered in Las Vegas, Nevada, is one of the world's leading and most respected hotel and gaming companies. The Company owns and operates 11 casino resorts located in Nevada, Mississippi and Michigan, and has investments in three other casino resorts in Nevada, New Jersey and the United Kingdom. For more information about MGM MIRAGE, please visit the company's website at <http://www.mgmmirage.com>.

Related News Stories

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- [\[external\] THE CORPORATION: "The Revenge Of Steve Wynn"](#) - at BusinessWeek Online (Tue Apr 5)

Moi

- By industry: Gambling

Top Stories

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- [Greenspan Wants Portfolio Size Limits](#) - Associated Press (6 pm)
- [Divided SEC Approves Rule Stock Orders](#) - Associated Press (5:44 pm)
- [DaimlerChrysler Execs, CEO Face Grilling](#) - Associated Press (5 pm)


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Statements in this release which are not historical facts are "forward looking" statements and "safe harbor statements" under the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including risks and/or uncertainties as described in the company's public filings with the Securities and Exchange Commission.

• Most-viewed articles

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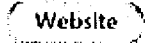
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MGM MIRAGE Named Fortune Magazine's 'Most Admired' Casino Resort Company

LAS VEGAS, March 9 /PRNewswire-FirstCall/ -- For the fourth year in a row, Fortune Magazine has named MGM MIRAGE (NYSE: MGG) one of "America's Most Admired Companies" in its annual survey of companies with large U.S. operations.

MGM MIRAGE was rated the "Most Admired" casino resort company in the Hotels/Casinos/Resorts category. Overall, MGM MIRAGE ranked second in the Hotels/Casinos/Resorts category after Marriott International, a non-casino hotel resort company.

"We are very pleased to be recognized by Fortune Magazine for the fourth time as our industry's top hotel casino resort company," said J. Terrence Lanni, Chairman and Chief Executive Officer of MGM MIRAGE. "This ranking reflects the quality of our top-notch management team and our employees' commitment to excellence."

To identify "America's Most Admired Companies" for 2005, Fortune and its research partner, the Hay Group, asked 15,000 executives, directors and securities analysts to select the 10 largest companies they admire most in their industry, based on eight criteria. Criteria included: innovation, financial soundness, employee talent, quality of management, use of corporate assets, long-term investment, social responsibility, and quality of products/services.

MGM MIRAGE (NYSE: MGG), headquartered in Las Vegas, Nevada, is one of the world's leading and most respected hotel and gaming companies. The Company owns and operates 11 casino resorts located in Nevada, Mississippi and Michigan, and has investments in three other casino resorts in Nevada, New Jersey and the United Kingdom. For more information about MGM MIRAGE, please visit the company's website at <http://www.mgmmirage.com>.

Statements in this release which are not historical facts are "forward-looking" statements and "safe harbor statements" under the Private Securities Litigation Reform Act of 1995 that involve risks and/or uncertainties, including risks and/or uncertainties as described in the company's public filings with the Securities and Exchange Commission.

SOURCE MGM MIRAGE

Web Site: <http://www.mgmmirage.com>

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EXHIBIT 13

TO THANK YOU FOR VISITING
TREASURE ISLAND
 IN MINNESOTA,
 WE'D LIKE TO TREAT YOU TO
TREASURE ISLAND
 IN LAS VEGAS.

ISLAND

Treasure Island Casino & Bingo
Times

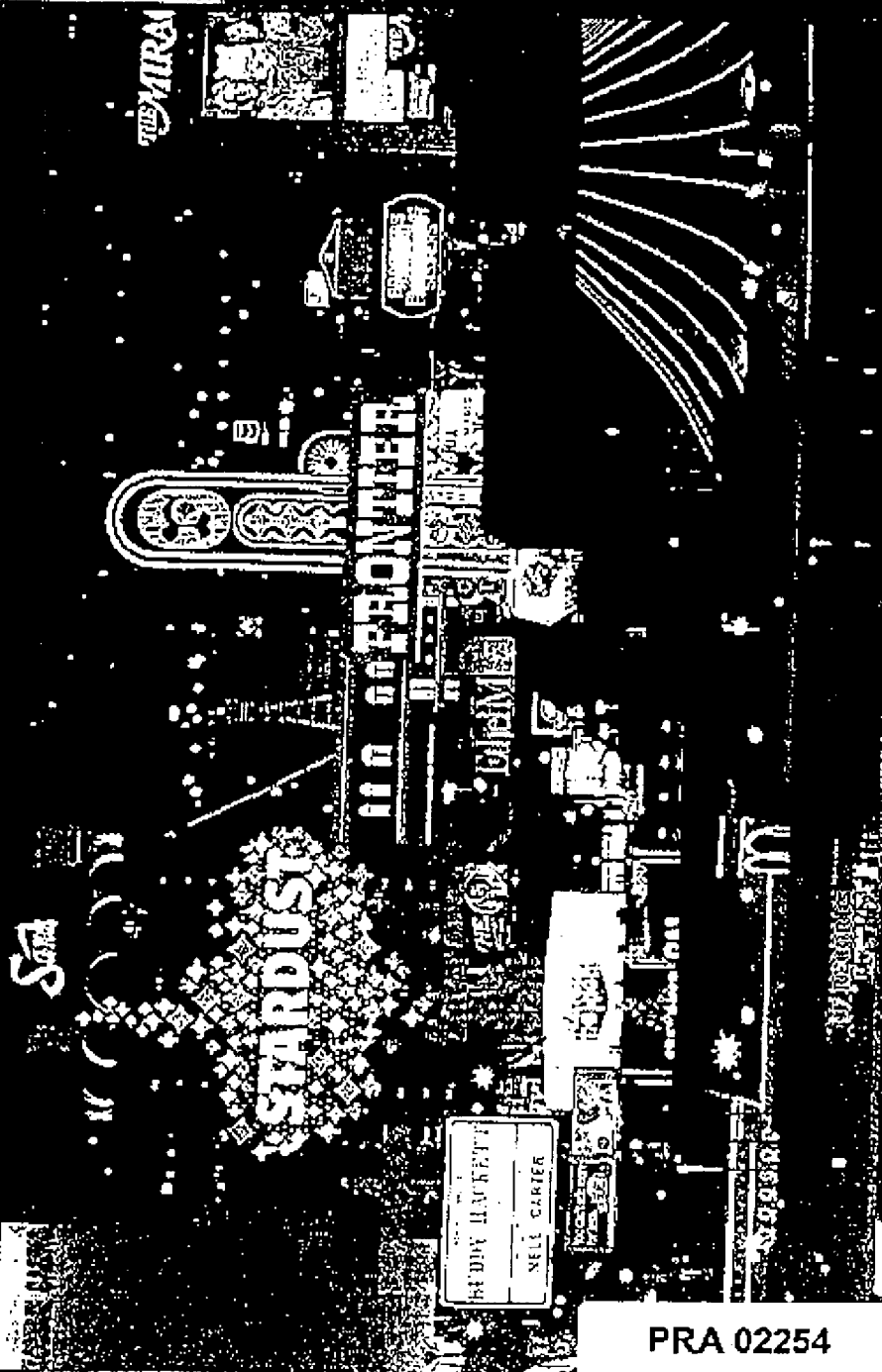
THE ACTION IS HOTTER HERE

VOLUME 7

JANUARY/FEBRUARY, 1995

**TRIPS GIVEN
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It's January FREEST! on the Island, all month long. January FREEST! is our way of saying thank you to our best customers for playing where it's hot, on the Island. January 2nd through the 31st, we'll be giving out FREE hats, t-shirts, mugs & cash prizes all day and all night. And, at 7 p.m., every week night during the FREEST, we'll draw for a trip for 2 to Las Vegas, including airfare and an exciting stay at the Treasure Island Hotel. Plus, \$500 cash to give your gaming a kick-start. Come out to the Island during January FREEST and get Island hot!



PRA 02254

EXHIBIT 14

UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK TRIAL AND APPEAL BOARD

PRAIRIE ISLAND	Reg. Nos. 1,949,380; 1,955,279;
INDIAN COMMUNITY,	2,010,396; 2,176,004; 1,984,421;
Petitioner,	2,024,221; 2,019,401; 1,916,033;
vs.	1,941,475; 1,966,090; 1,903,619;
TREASURE ISLAND	1,943,123; 1,949,379; 1,985,968;
CORP.,	2,040,756; 2,040,770; 1,981,369.
Respondent.	Cancellation Nos. 23,126; 28,127;
	28,130; 28,133; 28,145; 28,155;
	28,199; 28,248; 28,280; 28,294;
	28,314; 28,319; 28,325; 28,342;
	28,379; 28,171; 28,174.

DEPOSITION OF CINDY L. M. FLEMKE

VOLUME I, Pages 1 - 186

(The following is the Deposition of CINDY

L. M. FLEMKE, taken pursuant to Notice of Taking
 Deposition, at the offices of the Haugen Law Firm,
 Attorneys at Law, 121 South 8th Street, Suite 1130,
 Minneapolis, Minnesota, on June 17, 1999, commencing
 at approximately 9:32 o'clock a.m.)

1 Q. Do you have any idea who they would have been
2 sent to?

3 A. My speculation is customers.

4 Q. Do you know in fact if this was ever sent out?

5 A. No, not with actually seeing one. My thought is
6 it was because it has a bulk rate U.S. postage paid
7 on there and I wouldn't think that they would pay for
8 a permit or for that service if it wasn't sent out.

9 Q. All right.

10 I'll show you what's been marked as Exhibit 24.
11 Have you seen this document before?

12 A. Yes.

13 Q. All right. I don't know that that document
14 bears anywhere on it a year, but when it was produced
15 it was produced or indicated to have been a calendar
16 from June of '93, the year 1993. Now whether or not
17 that's true, I wonder if you could tell me anything
18 about this Las Vegas trip drawing referred to on the
19 bottom left I believe of the side you're looking at.

20 A. I think what it was is a promotion that Treasure
21 Island had, and what -- if you won on the slot -- if
22 memory serves me right, if you won on the slot
23 machine and a golden quarter came out then you'd turn
24 that golden quarter in, you got five dollars then you
25 got a registration trip for a monthly prize drawing.

1 Q. Okay. And if you were the winner in this prize
2 drawing on some specific month you would have won a
3 trip to Las Vegas, is that how it worked?

4 A. For this promotion here it looks like you would
5 win a Las Vegas vacation, yes.

6 Q. Okay. Do you have any idea where in Las Vegas
7 the winner would have been sent?

8 A. No.

9 Q. Do you know who would have been in charge of
10 that program, that promotion?

11 A. Marketing.

12 Q. Do you recall who was involved in marketing in
13 '93, or who was in charge?

14 A. No.

15 Q. Was Michael Childs involved in marketing at that
16 time?

17 A. Michael Childs was involved in marketing.
18 Specifically when, I don't know.

19 Q. There's also a reference to the Gold Doubloon on
20 Exhibit 5.

21 A. Yes.

22 THE REPORTER: Exhibit 24.

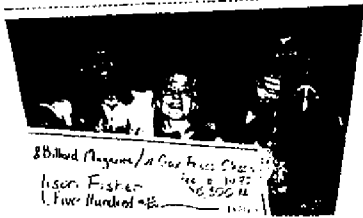
23 MR. SHENK: Oh, I'm sorry, Exhibit 24.

24 Q. What's the Gold Doubloon?

25 A. I believe it was similar to the golden quarter

EXHIBIT 15

Women's Shoot-Out Pool Tournament Winners



8 Billionaire / 1st Place Winner
Allison Fisher
Five Hundred \$500.00

Mark Cord of the WPBA and
Tom Carroll, Treasure Island Promotions
Manager, present a check to first
place winner, Allison Fisher.



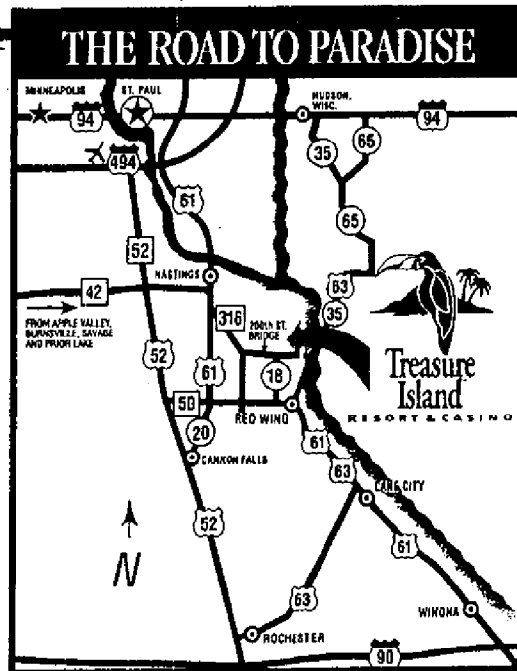
Second Place Winner,
Vivian Villareal



Third Place Winner,
Lori John-Jones.

Female 9-ball pool players displayed talent and style

It was a weekend of drama and excitement when these ladies picked up their cues at the St. Valentine's Day Women's Pool Shoot-Out Tournament held at Treasure Island.



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EXHIBIT 16

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2 TRADEMARK TRIAL AND APPEAL BOARD

3 - - - - -

4 PRAIRIE ISLAND Reg. Nos. 1,949,380; 1,955,279;

5 INDIAN COMMUNITY, 2,010,396; 2,176,004; 1,984,421;

6 Petitioner, 2,024,221; 2,019,401; 1,916,033;

7 vs. 1,941,475; 1,966,090; 1,903,619;

8 TREASURE ISLAND 1,943,123; 1,949,379; 1,985,968;

9 CORP., 2,040,756; 2,040,770; 1,981,369.

10 Respondent. Cancellation Nos. 23,126; 28,127;

11 28,130; 28,133; 28,145; 28,155;

12 28,199; 28,248; 28,280; 28,294;

13 28,314; 28,319; 28,325; 28,342;

14 28,379; 28,171; 28,174.

15 - - - - -

16 DEPOSITION OF MICHAEL J. CHILDS, SR.

17

18 (The following is the Deposition of MICHAEL

19 J. CHILDS, SR., taken pursuant to Notice of Taking

20 Deposition, at the offices of the Haugen Law Firm,

21 Attorneys at Law, 121 South 8th Street, Suite 1130,

22 Minneapolis, Minnesota, on June 16, 1999, commencing

23 at approximately 9:17 o'clock a.m.)

24

25

STIREWALT & ASSOCIATES

1 players primarily, is that what you meant?

2 A. That's correct.

3 Q. And what kind of things did you do in regard to
4 the tour buses and -- and that whole program or that
5 whole aspect of the marketing?

6 What did overseeing tour marketing mean? What
7 did you do?

8 A. We had to of course try to create an efficiency
9 to it, you know, through the customers that we were
10 bringing in, and we had some issues with unscrupulous
11 bus drivers picking up people at low-income housing
12 or the Laotian or Southeast Asian community
13 complexes, so try to just to, you know, keep it
14 efficient and -- and, you know, be a class operation.

15 Q. At that time the tour buses drew bingo players
16 from what areas of the United States?

17 A. Well of course the Twin City area was our
18 biggest market, and we had Southeastern Minnesota,
19 South Central Minnesota, Wisconsin, East Central, I
20 guess, south -- or West Central Wisconsin, and we
21 also had people from the Chicago area.

22 Q. Okay.

23 MR. BUFFALO: Just a point of
24 clarification. When you said "at that time," are you
25 talking about the period in '93 when Mr. Childs

STIREWALT & ASSOCIATES

1 A. No.

2 Q. -- the business?

3 A. (Shaking head.)

4 Q. So you contracted with -- with bus companies at
5 the time?

6 A. Yeah.

7 Q. And where were --

8 A. I didn't deal with that though. I was just the
9 bingo caller.

10 Q. Do you know where --

11 Do you know what areas the buses serviced?

12 MR. HAUGEN: Asked and answered.

13 A. Twin Cities and Wisconsin. That's all I know.

14 MR. HAUGEN: He already said that he didn't
15 deal with that.

16 THE WITNESS: No, I didn't.

17 MR. SHENK: That's a different question I
18 think.

19 Q. Do you know where the people that arrived on
20 buses came from? And you've said Twin Cities --

21 A. Yeah.

22 Q. -- and Wisconsin.

23 A. Iowa, Illinois.

24 Q. You also mentioned that was a smoke shop; is
25 that right?

STIREWALT & ASSOCIATES

EXHIBIT 17

IN THE UNITED STATES PATENT AND
TRADEMARK OFFICE BEFORE THE TRADEMARK
TRIAL AND APPEAL BOARD

Prairie Island Indian	Reg. Nos.	1,949,380; 1,955,279
Community, a federally		2,010,396; 2,176,004; 1,984,421
recognized Indian Tribe,		2,040,221; 2,019,481; 1,918,033
		1,941,475; 1,966,090; 1,903,619
Petitioner,		1,943,123; 1,949,379; 1,985,968
		2,040,756; 2,040,770; 1,981,369
vs.		
	Can.Nos.	28,126; 28,127; 28,130
Treasure Island Corporation,		28,133; 28,145; 28,155; 28,199
		28,248; 28,280; 28,294; 28,314
Respondent.		28,319; 28,325; 28,342; 28,379
		28,171; 28,174

* * * * *

DEPOSITION OF

JONI L. MARCKS

* * * * *

DATE TAKEN: 10/24/02

REPORTED BY: PAMELA J. FRANZ

1 Q Did you think it was more likely that people calling
2 from Minnesota were looking for Treasure Island in Red
3 Wing as opposed to Treasure Island in Las Vegas?

4 A Also, not necessarily. They have package deals from
5 here, so ...

6 Q But did you believe it was more likely that callers from
7 Minnesota were looking for Treasure Island in Red Wing?

8 MR. HAUGEN: Objection, asked and answered.

9 MR. McCUE: You can answer.

10 A I don't --

11 Q You said not necessarily.

12 A Yes.

13 Q My question is not whether it's necessary or not. My
14 question is was it more likely that people calling to
15 block -- to purchase groups of rooms from Minnesota were
16 more likely looking for Treasure Island in Red Wing than
17 Treasure Island in Las Vegas?

18 A When I say not necessarily, I mean I don't feel that
19 there's a clear-cut line. I think it can be the same
20 likelihood from either place.

21 Q Did you think that it would have been a good practice to
22 automatically mention during each phone call that you
23 made or received that you were Treasure Island in Red
24 Wing, Minnesota?

25 A I wouldn't have found that necessary.

1 Q Why?

2 A Because if -- if it was a situation where they were
3 calling the wrong hotel, it would come up in
4 conversation at some point. I feel that it would have
5 been redundant to introduce myself that way. You know,
6 in many cases, calls coming in were people that knew me,
7 you know, as a salesperson and it would have -- I would
8 have been -- I would have felt silly saying, you know,
9 whatever, but ...

10 Q Is that especially true given the number of calls you
11 had versus the number that were misdirected?

12 A Yes.

13 Q Other than Al's Garden Art, are you aware of any other
14 groups or people that cancelled reservations at Treasure
15 Island in Red Wing because they thought it was Treasure
16 Island in Las Vegas?

17 A Not with me personally, no.

18 Q Through other people?

19 A I would just hear, but I couldn't -- I couldn't cite any
20 instances.

21 Q Did you ever receive any inquiries for group sales
22 through the web site?

23 A I generally didn't see those, no.

24 MR. McCUE: Let's go off the record.

25 (WHEREUPON, a brief recess was taken, after

1 which the following proceedings transpired.)

2 (WHEREUPON, Deposition Exhibit 2 was marked for
3 identification by the Court Reporter.)

4 MR. McCUE: Let's go back on the record.

5 Q (By Mr. McCue) Ms. Marcks, I'm handing you what's been
6 marked for identification as Marcks Exhibit 2. Do you
7 recognize that document?

8 A I do.

9 Q What document is that?

10 A This is the Booking Recap for Al's Garden Art's
11 cancellation.

12 Q Can you tell from this document when the booking was
13 cancelled?

14 A The only thing I can tell from it is that -- from my
15 date at the bottom where I put in my name and August 4th
16 because the date at the top is the date of the
17 booking -- or, I mean, as far as the arrival date, and
18 there's no date that indicates the actual cancellation
19 date except for I would have done this the same day. I
20 would have copied this the same day I did it.

21 Q What is the decision due date in the top section on the
22 left-hand side?

23 A That would be when the contract was due, and that may or
24 may not be the day that I required it. This was a
25 default date set by the computer, especially when it

EXHIBIT 18

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2 TRADEMARK TRIAL AND APPEAL BOARD

3
4 PRAIRIE ISLAND INDIAN COMMUNITY,

5 Petitioner,

6 vs.

7 TREASURE ISLAND CORPORATION,

8 Registrant.

9
10
11
12
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14
15
16 * * * * *

17 DEPOSITION OF

18 LAURA BREITBARTH

19 * * * * *

20
21
22
23
24
25 DATE TAKEN: 07/30/02 REPORTED BY: CINDY M. TRATTLES

1 individuals?

2 Q Yes?

3 A No, I don't know anything about that.

4 Q Do you know of the policy, if there is one, for
5 handling telephone reservations then?

6 A No.

7 Q Okay. Well, let me just cut to the chase perhaps.
8 You're designated as the person that has the most
9 knowledge about Prairie Island's ability to reduce
10 or eliminate the alleged confusion by people
11 thinking you might be in Las Vegas. What policy, if
12 anything, does Prairie Island have to eliminate the
13 confusion that people think you're from Las Vegas?

14 A I'm completely lost. I don't know why I was --.
15 That's No. 7?

16 Q Topic 6.

17 A Oh.

18 Q Well, just tell me what you do know. Are you aware
19 of any policy, whether it's given by your supervisor
20 or by a general manager, that Prairie Island uses to
21 distinguish itself from Las Vegas?

22 A No.

23 Q Who oversees the people who take telephone
24 reservations?

25 A Lori Knapp.

- 1 Q Lori Knapp does?
- 2 A Yes.
- 3 Q Are you aware of any script or memo or anything that
- 4 went to reservations people that discussed what to
- 5 do about alleged confusion between Prairie Island
- 6 and the Las Vegas property?
- 7 A No.
- 8 Q Then it's your testimony there's no format for
- 9 clarifying when people call and think you're the Las
- 10 Vegas property; is that right? In other words, you
- 11 don't answer the phone, "Treasure Island at Red
- 12 Wing, Minnesota"?
- 13 A I do not answer the phone that way.
- 14 Q Do you know if anyone else does?
- 15 A No, I don't know.
- 16 Q Do you know if Prairie Island Treasure Island has a
- 17 log system that they keep track of people who think
- 18 you're Las Vegas, by which they keep track of that?
- 19 A I don't know.
- 20 Q Do you know if there's a policy or if reservation
- 21 people ask those who may be confused as to where
- 22 they're calling, how it is they made that
- 23 reservation?
- 24 A I don't know.
- 25 Q Okay.

EXHIBIT 19



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The Island's the place to be and this site will be the place to see.
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about fun on The Island. Surf's up!

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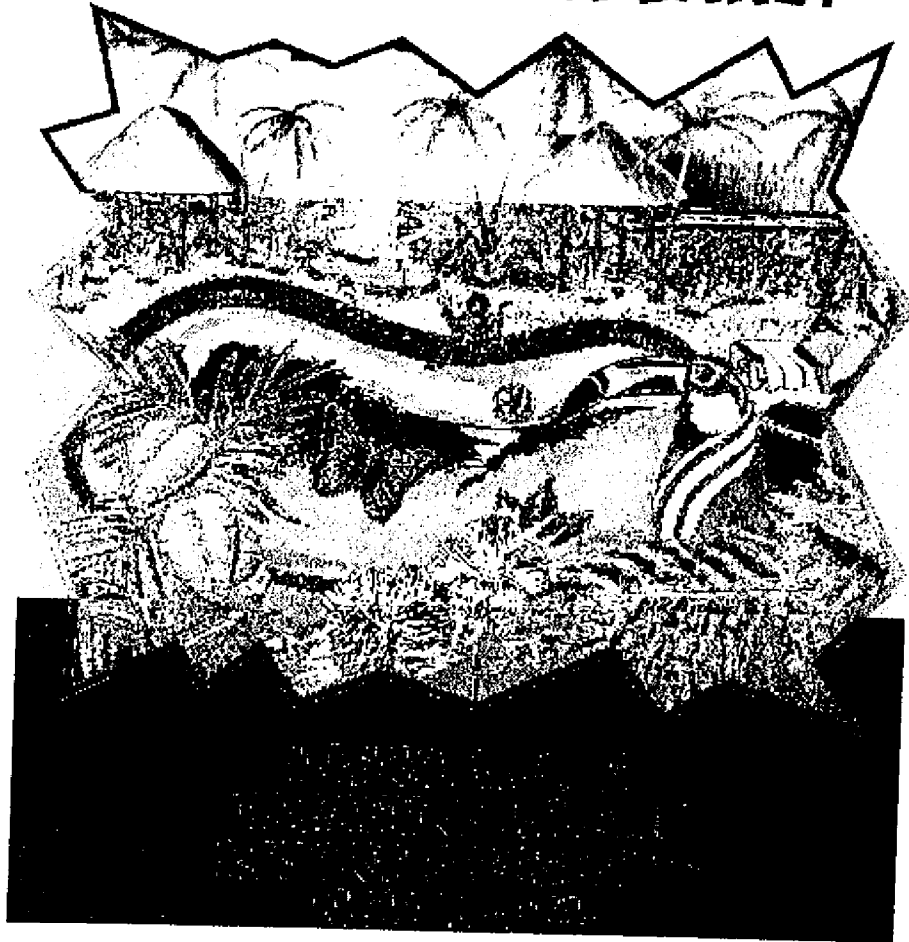
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PLAY ON THE ISLAND, STAY ON THE ISLAND!™



Now you can stay for round-the-clock fun on The Island!
Our magnificent 250-room hotel will be complete in January.
Come and enjoy our lounge with live entertainment,
swimming pool, child care center,
and splendid views of the Mississippi River Valley.

Call 1-800-222-7077 or [click here](#) for reservations.



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Treasure Island Casino Hotel Reservation Form

Name:

Address:

City:

State:

Zip:

Date of arrival:

Number of Guests:

Phone #: (Area Code)

Best Time to Call:

000218

EXHIBIT 20

**Exhibit 20 will consist of copies of electronic advertising for
“The Mirage,” sent by regular mail.**